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EGYPT UPDATE No. 4

A PERIODIC ANALYSIS OF EGYPTIAN-ISRAELI RELATIONS

by Phil Baum and Raphael Danziger

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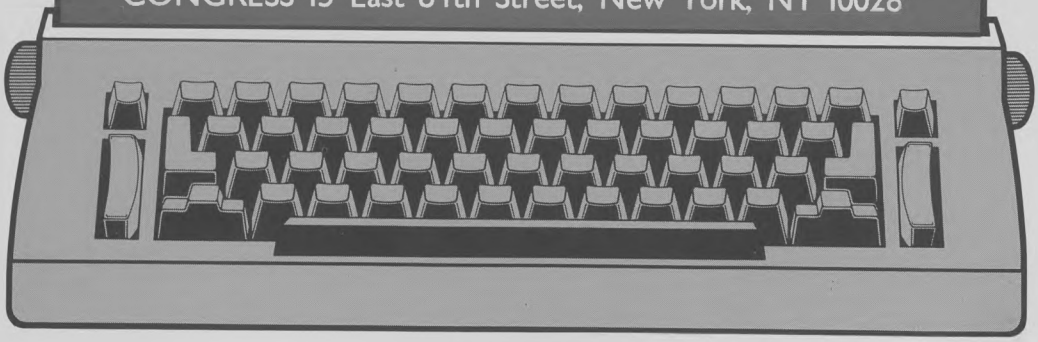

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Executive Summary

General

The steady improvement in bilateral Egyptian-Israeli relations in 1986 and 1987 was threatened by Egyptian anger, in December 1987, over what Cairo regarded as excessively harsh Israeli riot-control techniques in the territories; thus far, however, Egypt has avoided taking any drastic anti-Israel measures. Nor are there as yet any indications that Cairo has decided to reverse the partial softening of its previously rigid position toward the overall peace process.

Bilateral Relations

Irritants: Serious irritants continued to mar Egyptian-Israeli relations. Among them, the publication of virulent anti-Semitic and anti-Israel articles and cartoons in the Egyptian press has been the most persistent and the most troubling. It is clearly within President Mubarak's power and also in accord with his foreign-policy objectives more vigorously to dissuade the Egyptian editors from such publications. And surely it is in his power to curb objectionable anti-Israel statements from within his own official entourage.

Taba: These and other irritants were more than offset by the improvement in bilateral relations that followed the Egyptian-Israeli agreement in 1986 to submit the dispute over Taba to binding international arbitration. Whether or not current US efforts to cut the lengthy arbitration process through an early compromise agreement bear fruit, for now the Taba issue is unlikely to rekindle passions and recriminations.

Positive Developments: Upon the conclusion of the Taba arbitration agreement, Cairo removed the principal irritant to bilateral relations by returning its ambassador to Israel after a four-year absence. President Mubarak held his first summit meeting ever with an Israeli prime minister and further high-level meetings followed. The Egyptian authorities enhanced cooperation with Israel in a host of security matters and technical areas and signed a number of bilateral agreements.

The Peace Process

Position Toward the PLO: Although last fall the Egyptians allowed the PLO to reopen the Cairo offices they had closed during the spring, President Mubarak has thus far refrained from reverting to his previously rigid support for full, unqualified, and unconditional PLO representation at any Arab-Israeli peace negotiations. Egyptian statements indicate that any PLO role in such negotiations would be conditional on acceptance of Resolutions 242 and 338 and restricted to nominating the Palestinian representatives to a joint Jordanian-Palestinian delegation.

Procedural Aspects: Egypt seems in effect to have coordinated its position on the procedural aspects of the peace process with that of Israel's Labor party. Similarly to Labor, Egyptian officials have called for an international conference that would lead to bilateral talks between Israel and a Jordanian-Palestinian delegation.

Substantive Aspects: Some faint encouragement may be drawn from Egypt's avoidance of repeating past statements fully supporting a PLO-dominated Palestinian state, calling for a Jordanian-Palestinian confederation instead.

The Current Crisis

Harsh Egyptian denunciations of Israeli riot-control tactics in the territories since last December seemed to jeopardize relations between the two countries. But thus far Cairo has acted to minimize the damage to relations with Israel. Anti-Israel demonstrations in Cairo were unceremoniously dispersed, and Egyptian officials have made clear they have no intention of recalling the ambassador from Israel or taking any other drastic anti-Israel measures.

Assessment and Outlook

Egypt appears eager to preserve the peace treaty with Israel, which has enabled it to prevent further costly wars and open the door to massive American aid. To a considerable extent, the improvement in bilateral relations with Israel and the softening of Egypt's position toward the peace process seem to have been designed to strengthen the Labor party's domestic position in Israel versus the harder-line Likud party.

The outlook for Egyptian-Israeli relations seemed particularly encouraging following the resumption last November of diplomatic ties

with Egypt by nine Arab countries without any commensurate Egyptian concessions on its peace treaty or bilateral relations with Israel. But growing domestic and Arab pressures on Egypt to reverse its detente with Israel following last December's riots in the territories cast a pall over that outlook. It remains to be seen whether President Mubarak will continue to resist these pressures, as would certainly appear to be in his interest.

US Role

Both during and after President Mubarak's upcoming US visit, Washington may play an important role in preventing a serious setback in Egyptian-Israeli relations and in encouraging Egypt's potentially constructive role in the peace process.

EGYPT UPDATE
A PERIODIC SURVEY OF
EGYPTIAN-ISRAELI RELATIONS
No. 4

In our May 1984 memorandum "The Decline in Egyptian-Israeli Relations," we promised to complement our initial analysis with periodic updates of Egyptian-Israeli relations. The first update was issued in November 1984, the second in March 1985, and the third in January 1986. The following is the fourth of these periodic reports.

Our purpose is to keep the Jewish and general public informed of the major developments in this critical area and to alert Congressmen and the Administration to any changes in Egypt's conduct toward the Camp David accords and the peace treaty with Israel.

You will note that this report is in two parts. The first is a brief analysis of Egyptian-Israeli relations since January 1986. The second part of our update is a documented chronology of specific acts and statements that bear upon these relations. The dates in parentheses refer to items in the chronological section of our report that document or support the observations we make in our analysis.

A. Analysis

General

In our previous update, we speculated that the Israeli inner Cabinet's approval, on January 13, 1986, of a conditional process of arbitration concerning the Taba border dispute with Egypt and Cairo's guardedly positive response to that decision might lead to substantially improved Egyptian-Israeli relations. This, indeed, has happened. In the wake of the agreement on September 10, 1986 between the two governments to submit the Taba issue to an international arbitration panel President Mubarak held his first summit meeting with an Israeli Prime Minister two days later, and Egypt returned its Ambassador to Israel after a four-year

absence (September 23). The improvement in bilateral relations continued even after the rotation of Israel's prime ministership, in October 1986, from Labor leader Shimon Peres to Likud leader Yitzhak Shamir, whose positions on the peace process were greatly disliked by the Egyptians. Unfortunately that period of confidence building has been threatened by Egyptian anger, in December, 1987, over what Egypt regarded as excessively harsh Israeli riot-control techniques in the territories; thus far, however, the Egyptians have restricted their reactions to protests and denunciations and have avoided taking drastic measures such as recalling their Ambassador from Israel.

As of January 1988, the trend we indicated in our previous update of a partial softening in Egypt's rigid position toward the overall peace process does not appear to have been reversed.

Bilateral Relations—Irritants

By conducting the summit meeting with Mr. Peres and returning their Ambassador to Tel Aviv, the Egyptians addressed two out of Israel's three main specific grievances on the bilateral level. The third concerned the publication of anti-Semitic articles and cartoons, as well as vehemently anti-Israel editorials, in the Egyptian press. Despite explicit assurances to the contrary, these publications continued unabated. Particularly troubling were the outbursts of anti-Semitic articles triggered by Kurt Waldheim's election to Austria's presidency (June 7, 11, 14, and July 14, 1986) and by the violence in the territories (December 16, 1987). The publication of vituperative attacks on Israel in the Egyptian press (e.g., August 15, 1987) was formally raised with senior Egyptian officials, who retorted that the Israeli press for its part was no less meddling in Egypt's internal affairs by reporting on its purported instability, poverty, etc. (August 19). Even after the Israeli protest, the Egyptian media continued to assail Israel in objectionable anti-Semitic terms (e.g., August 27, November 9, and December 16, 1987). While President Mubarak's reluctance to impose on the relatively free Egyptian press an outright ban on anti-Semitic publications is understandable in domestic political terms, it is clearly within his power and also in accord with his long-term foreign-policy objectives to undertake more determined efforts to persuade the Egyptian editors to refrain from such publications. These writings simultaneously kindle dangerous passions in Egypt and provide powerful ammunition to opponents of the peace treaty in Israel, thus eroding the very foundations of the Egyptian-Israeli peace. The same may be said of the excessively harsh anti-Israel statements made by several Egyptian officials (e.g., January 22, 1986; August 9 and October 3, 1987); surely it is in President Mubarak's power to curb such statements from within his own official entourage.

2.

Lesser irritants also continue to ruffle Egyptian-Israeli relations. Almost daily illegal border crossings from Egypt to Israel took place (January 31, 1986). The death sentence imposed by a Cairo court on Yosef Tahan, an Israeli citizen convicted of smuggling heroin into Egypt, was criticized in Israel as too harsh (March 6, 1986, January 21, 1987). There was also criticism in Israel concerning Egypt's treatment of the Ras Burka tragedy, in which a demented Egyptian soldier murdered seven Israeli tourists in the Sinai in 1985 (see our previous update): Egypt rejected the Israeli request to convey a written report about the incident (January 23, 1986), and the victims' families refused to deal with a special Egyptian tribunal set up to assign compensation to them, insisting that the Egyptian government, which had assumed responsibility for the murders, compensate the families (August 31, 1987); Egypt flatly refused (October 26, 1987). Egypt's invitation to Austrian President Waldheim was criticized by Israeli Prime Minister Shamir; his criticism was rejected by Cairo (July 19, 1987), and Waldheim accepted the Egyptian invitation (December 26, 1987). And Egypt's media praised the Palestinian hang-glider attack on the Israeli Army base in the northern Galilee in which six Israeli soldiers were killed (November 27, 1987).

The Taba Issue

These problems, however, were more than offset by the improvement in the bilateral relations between Israel and Egypt in 1986 and during the first eleven months of 1987. The positive trend was largely attributable to the agreement between the two governments to submit the vexing Taba issue to binding international arbitration. 3.

Israel's retention of the 250-acre Taba area southwest of Eilat following the completion of its withdrawal from the rest of the Sinai Peninsula's nearly 25,000 square miles in 1982 cast a pall over Egyptian-Israeli relations (see our previous updates for details). Israel's conclusion of an agreement with Egypt to submit the Taba issue to binding international arbitration (September 10, 1986) removed the principal irritant to relations between the two countries. Within a month they agreed on the composition of the three-member international arbitration panel (October 6), and soon afterward the Israeli Cabinet ratified the arbitration agreement (November 30). The formal arbitration process began shortly thereafter (December 10). By mid-1987 Egypt and Israel had submitted their arguments in the case to the members of the panel (May 14). Whether or not the subsequent U.S. efforts to cut the tedious arbitration process—which is certain to continue at least until summer 1988—by reaching a compromise agreement at an earlier date (August 16, September 2, October 19, November 24, and December 31, 1987) bear fruit, the Taba

issue is unlikely to rekindle passions and recriminations at least as long as the arbitration process goes on. Once the international arbitration panel has issued its verdict, tensions may arise once again in the event that the losing side attempts to oppose the decision.

Bilateral Relations—Positive Developments

In agreeing to arbitration on Taba, Israel paved the way to considerably improved bilateral relations with Egypt. Barely two days after the agreement was signed, Egypt's President Mubarak and Israel's then Prime Minister Peres held the first Egyptian-Israeli summit meeting in five years (September 12, 1986, and Appendix I). The summit was followed by other bilateral meetings between high-level officials (February 27, July 9, and July 20-22, 1987). Most important, President Mubarak agreed to return the Egyptian Ambassador to Israel after four years of absence; Mohammed Bassiouny, Egypt's Charge d'Affaires, presented his credentials to the Israeli President as a full-fledged Ambassador less than two weeks after the summit (September 23, 1986). Another positive government-level development, from the Israeli viewpoint, was the Egyptian denial that Minister of Defense Abdel-Halim Abu-Ghazala had defined Israel as Egypt's "main enemy" and said that Egypt must prepare for war against Israel (February 6, 1987). Israeli officials were similarly gratified by Mr.Abu-Ghazala's statement that the inter-Arab defense
4. agreement does not contradict the peace treaty with Israel (November 6, 1987); Abu-Ghazala thus allayed Israeli concerns arising from a previous statement attributed to him according to which the Egyptian defense commitment to the Arab states takes precedence over the peace treaty.

The Israelis were also pleased by the Egyptian government's official congratulations to prime Minister Yitzhak Shamir upon the assumption of his new office (October 27, 1986), and by President Mubarak's friendly message to the Israeli Prime Minister several weeks later (December 2, 1986).

Cooperation on Security Matters

Furthermore, the Egyptian government improved its diplomatic posture toward Israel and its cooperation with the Israelis on certain security matters. It ceased attacking Israel at international forums and interfering with Israeli efforts to establish diplomatic relations with foreign countries (March 21, 1986); it conveyed its condolences to Israel over the terrorist attack on Israeli diplomats in Cairo in which one Israeli woman was killed and three others wounded, making great efforts to apprehend the perpetrators (March 19-20, 1986), of whom three were eventually captured (November 16, 1987); the Egyptian border police worked with the Israelis

to curb smuggling activities across the border (November 19, 1987); and the Egyptians undertook measures to prevent the recurrence of cross-border attacks on the Israelis such as the December 1, 1987 incident in which an Israeli soldier was slightly wounded (December 1-3, 1987). A "hot line" between the two countries' defense ministers, set up to prevent potentially dangerous misunderstandings between their armed forces, was operated for the first time in 1987 (July 22). And finally, Egypt permitted the U.S. Navy to search in its territorial waters for the remains of the Israeli submarine Dakar, which had disappeared in 1968 with its 69 crewmen on its maiden voyage from England to Israel. Unfortunately, the search was unsuccessful (October 9, 1986).

Cooperation in Technical Areas

Additionally, cooperation between the two countries in a host of technical fields improved as well. Sustained scientific cooperation in various agricultural areas gathered momentum (January 27, May 4, July 17, and July 27, 1986), and a delegation of Egyptian electrical engineers and scientists visited Israel (July 6, 1987). Egypt removed administrative restrictions on trade with Israel (July 21, 1987), signed tourism agreements (March 20 and August 5, 1986), an aviation agreement (July 8, 1987), and a medical agreement (September 6, 1987) with Israel. Egypt's improved attitude toward mutual tourism resulted in a certain increase in the number of tourists both ways (October 26, 1986, May 26, 1987, and September 10, 1987). For the first time, Egypt agreed to participate in an Israeli fair (the Holon flower exhibition—September 30, 1987). Direct telephone dialing between the two countries was introduced (February 26, 1987). And the Egyptian government returned to Israel a number of cars previously stolen in Israel and driven in several Egyptian cities with false license plates (November 19, 1987).

5.

Furthermore, Egyptian media coverage of Israeli affairs was not always negative. Thus, a Cairo weekly printed an interview with then Israeli Prime Minister Peres (March 7, 1986); and the Egyptian media coverage of the terrorist attack in Cairo on Israeli diplomats was mostly sympathetic to the Israelis (March 20, 1986).

The Peace Process: Position Toward the PLO

While improving its bilateral ties with Israel in 1986 and most of 1987, Egypt further softened its position toward the overall Arab-Israeli peace process. In our previous update we reported indications that Egypt's earlier stated commitment to the inclusion of the PLO in peace negotiations even if it did not explicitly accept Security Council resolutions 242 and 338—a position totally unacceptable to Israel—had

become less than absolute. By 1987, more definite indications had confirmed that Egypt indeed modified its position toward PLO representation in the peace process. After his first day of talks in Cairo, Israeli Foreign Minister Peres said Egypt no longer insisted on PLO participation in a prospective international conference and was willing to discuss with Israel and Jordan alternative forms of representation (February 25, 1987). While President Mubarak later said that only the agreement of all parties concerned, including the PLO, on convening an international conference could serve as a starting point for reaching Middle East peace (August 15, 1987), his Foreign Minister had previously made clear that the PLO had to accept resolutions 242 and 338 prior to any negotiations and that it could "nominate" the Palestinian representatives to a joint Jordanian-Palestinian delegation in future peace talks (July 21, 1987). Even Mubarak's hard-line political advisor, Osama Baz, stated that the PLO was unlikely to participate independently in any international conference and would have to do so with Jordan (May 19, 1987). The PLO's participation in the peace process was thus made not only conditional but also partial and indirect.

Egypt's backtracking from its previous absolute insistence on full, unconditional PLO representation in peace negotiations was not merely an expression of its anger toward the PLO over its position at the Palestine National Council meeting in Algiers which led to a temporary break
6. in relations. The PLO offices in Cairo were closed by the Egyptian government in the spring of 1987 (April 27) and reopened in the fall (November 29—the fortieth anniversary of the United Nations Partition Resolution). Yet the new Egyptian position on the PLO's representation had been decided prior to the crisis in their relations (February 25, 1987), and thus far there have been no indications of an Egyptian reversion to the previous hard-line position following the resolution of that crisis.

As Israel's Foreign Minister Shimon Peres has stated, the reopening of the PLO offices in Cairo per se is not necessarily harmful to the peace prospects since those offices were also open throughout the fruitful Egyptian-Israeli peace negotiations of the late 1970s with no negative effects (December 2, 1987). But for the sake of the peace process, it is to be hoped that during PLO Chairman Yasir Arafat's upcoming visit to Cairo, which is now under preparation (December 12 and 20, 1987), President Mubarak will resist Arafat's expected entreaties to revert to his former unqualified insistence on full PLO representation.

The Peace Process: Procedural Aspects

Beyond the softening of its position on the PLO's representation in the peace talks, Egypt seems to have in effect coordinated its position with that of the Israeli Labor party on the procedural aspects of the peace pro-

cess. Like the Labor party, Egyptian officials have called for an international conference that would lead to direct negotiations between Israel and a Jordanian-Palestinian delegation, with the five permanent members of the Security Council having no role in the conduct of the negotiations or the right to impose a solution or a veto. Reportedly, President Mubarak even said that Soviet participation in an international conference would be possible only after Moscow has resumed diplomatic relations with Israel (February 16, July 21, and August 15, 1987). An Egyptian adherence to this moderate position despite the counterpressures would doubtless improve the prospects for Arab-Israeli peace negotiations.

The Peace Process: Substantive Aspects

Since Egypt has renounced its Camp David-stipulated role as a direct negotiating partner, its position on the *substance* of a negotiated solution is less important than that on procedure, where it is well situated to play a constructive role. Nonetheless, some faint encouragement may be derived from a possible subtle change on substance as well. Whereas in March 1985, President Mubarak had expressed at the White House full support for a PLO-dominated Palestinian state in a manner clearly designed to gain maximum international publicity, no such statements by Egyptian officials in 1986 and 1987 have come to our attention. In the only Egyptian statement on this issue we have seen, Mubarak reportedly rejected the establishment of an independent Palestinian state and supported a Jordanian-Palestinian confederation instead (February 16, 1987). Although this new Egyptian formulation is ambiguous, if not contradictory, since a confederation is usually defined as a voluntary association among two or more independent states, its emphasis on the necessity of an eventual association between the territories and Jordan brings the Egyptian position closer to those of the United States and Israel. Clearly, the peace process would be well served if President Mubarak refrains from calling for a PLO state on the occasion of Yasir Arafat's impending visit to Cairo.

7.

On the whole, then, Egypt's position in 1986 and the first 11 months of 1987 (prior to the crisis in the territories) may be summed up as one of improving its bilateral relations with Israel, somewhat softening its position on the procedural aspects of the peace process, and perhaps moderating its position on substance as well.

The Current Crisis

All these significant—albeit cautious, hesitant, and slow—steps toward improving Egyptian-Israeli ties seemed jeopardized when an apparently

severe crisis in the relations between the two countries broke out in December 1987 following harsh Egyptian denunciations of Israel's riot-control techniques in the territories. Within nine days of the eruption of the violence in the West Bank and Gaza, Egypt had delivered six official protest statements to the Israelis (December 12, 20, and 21, 1987). The Security Council resolution "strongly deploring" Israel's activities in the territories was hailed by Egyptian officials, who took credit for persuading the United States not to veto it (December 23 and 26, 1987). The Egyptian parliament condemned the Israeli measures in the territories (December 26, 1987), and Egyptian government officials expressed support for the Palestinian "uprising," condemned the Israeli government's intention to deport Palestinians from the territories, and announced it would refuse to receive any deportees (December 30, 1987).

At the same time, however, the Egyptian government took great pains to minimize the damage to relations with Israel. Egypt's security forces unceremoniously dispersed anti-Israel demonstrations in Cairo (December 29, 1987, as well as January 1988), and Egyptian officials, including President Mubarak himself, made clear that Egypt had no intention of returning its Ambassador from Israel or taking any other drastic anti-Israel measures (December 24 and 26, 1987, as well as January 1988).

Assessment and Outlook

8. As in the past, Egypt appears eager to preserve the peace treaty with Israel which has enabled it to initiate a badly needed economic recovery both by preventing further costly wars and by opening the door to massive American aid. President Mubarak's decision to continue improving bilateral relations with Israel seems to have been based to a large extent on considerations of domestic Israeli politics. Clearly preferring Peres's Labor party to Shamir's Likud party, he continued to seek to strengthen Peres's domestic position by "rewarding" him for what he regarded as moderate Labor policies—particularly its relentless efforts to persuade the Likud to accept binding international arbitration on Taba and to participate in an international peace conference. It is doubtful that Peres would have succeeded in getting the Likud's approval for the Cabinet's acceptance of Taba arbitration on September 6, 1986 if not for Cairo's tangible bilateral gestures toward Israel. Mubarak's three meetings with Peres (September 12, 1986, February 27, and July 9, 1987), as well as the Egyptian Foreign Minister's visit to Israel (July 22, 1987), also bolstered Peres's domestic standing.

We may assume that Egypt's softened position on the peace process as well was related to Peres's policies. Realizing that his conditions for an international conference were the most they could get from Israel, the Egyptians decided to accept those conditions in order to make possible

the convening of an international conference—a forum they had long sought. Similarly, Mubarak was fully aware that public Egyptian endorsements of a PLO-dominated Palestinian state would undermine Peres's domestic position, while more moderate statements on the substance of the peace process would help the Labor party's leader. It may be that the same considerations will engage Mubarak this year, particularly as the November 1988 elections campaign in Israel draws nearer.

Had we written this analysis at the end of November 1987, our forecast for 1988 would have been moderately optimistic. On top of the considerations just stated, during that month Egypt had broken out of its isolation in the Arab world when nine Arab states restored diplomatic ties with Cairo which they had broken off following the 1979 Egyptian Israeli peace treaty (November 12-19, 1987), leaving only six of the Arab League's 22 members without diplomatic relations with Egypt. In other words, the peace treaty with Israel no longer compromised Egypt's position in the Arab world—an extremely encouraging development. Egypt, moreover, was avidly courted by much of the Arab world as a desperately needed counterweight to Iran (in January 1988 Mubarak toured the Arab countries of the Gulf, an act unprecedented since the conclusion of the peace treaty with Israel); it seemed highly unlikely that under those circumstances, Egypt would be made to pay any real price in the Arab world for further rapprochement with Israel.

But the December 1987 riots in the territories cast a pall over this outlook. Once again the Arab world's attention turned towards the Palestinians, and in Egypt itself a series of demonstrations put pressure on the government to reverse its detente with Israel. As we have seen, Mubarak has thus far refrained from any drastic moves that might jeopardize the peace treaty, restricting Egypt's reactions to protest and denunciations. It remains to be seen whether Mubarak will continue to resist domestic and Arab pressures for more dramatic and tangible actions against Israel. It would certainly appear to be in his interest to do so and, better yet, to return to the serious business of promoting an international conference, which would require further conciliatory moves toward Israel.

US Role

Washington may play an important role in preventing a serious setback in Egyptian-Israeli relations and in encouraging Egypt's potentially constructive role in the peace process. Both before and during Mubarak's upcoming US visit, the Administration would do well to encourage him to avoid taking any risky measures such as recalling his ambassador from Israel or in any way reducing the level of the bilateral relations between the two countries. The potential benefits of firmly resisting Arafat's

expected pressure to revert to Egypt's former position of unqualified support for full PLO representation at the negotiating table and for the establishment of a PLO-dominated Palestinian state should be underscored.

Under present circumstances, it seems unrealistic to expect Mubarak further to improve his position on bilateral relations with Israel or on the peace process. For the duration of the violence in the territories, the most urgent task would seem to be to encourage and help the Egyptian president to hold the line on these crucial issues. The one area where improvement is urgently required is the curbing of further publication of harsh anti-Semitic and anti-Israel articles in the Egyptian press, which Mubarak unfortunately seems to have done little to discourage.

Even after the violence in the territories has been brought under control, the judgment we expressed in our previous update will most likely remain valid. As long as the Palestinian problem continues to fester, Egyptian relations with Israel will fall short of complete, genuine normalization. Given the widespread domestic opposition, particularly among Muslim fundamentalists, and to a lesser extent the residual Arab opposition, to such normalization, it is unrealistic to expect soon anything more than careful and guarded relations between the two countries.

10.

Phil Baum
Raphael Danziger

January 1988

B. Chronology

1986

January 13. The Israeli inner cabinet agreed in principle to submit the Taba border dispute with Egypt to international arbitration. The cabinet approved the arbitration terms with the understanding that Egypt would agree to the return of the Egyptian Ambassador to Israel and full normalization of nearly frozen relations between the two countries (*New York Times, Washington Post,* January 14; for the text of the cabinet decision, see *Egypt Update* No. 3, Appendix I).

January 22. Egypt told the Security Council that Israel "must" withdraw from East Jerusalem and that the Palestinians in the West Bank, including those living in East Jerusalem, must have their right to self-determination. The Egyptian UN Ambassador, Mohammed Ibrahim Shaker, addressed the Council in the course of the debate on "The Situation in the Occupied Arab Territories." The Council's debate was triggered by recent confrontations on the Temple Mount between a group of visiting Knesset members and an angry Arab crowd. Egypt claimed in the Council that the incidents were not the first time that Israel "violated the sacred character of the Al-Aksa Mosque." This time, Egypt charged, "Israeli officials" were involved in the "profanation" of the Mosque. The Egyptian representative warned that "the Incitement of religious feelings" could harm the prospects of peace in the region (*JTA Bulletin,* January 23). 11.

January 23. Egypt will not convey to Israel the report of an inquiry commission that investigated the murder of seven Israeli tourists at Ras Burka in eastern Sinai last October 6, the Egyptian Charge d'Affaires in Tel Aviv, Mohammed Bassiouny, said. He said the full verdict of the court which convicted and sentenced Suleiman Khater, an Egyptian soldier, for the killings, would be made available to the Israeli Ambassador in Cairo, Moshe Sasson. The Egyptian diplomat, speaking on Israel's Arabic Service television program, maintained that international law did not require that the findings of the inquiry commission be given to Israel. Delivery to Israel of the commission's findings was one

of the conditions demanded by the inner cabinet when it agreed on January 13 to submit the Taba border dispute with Egypt to international arbitration (*JTA Bulletin,* January 24).

January 27. Israeli and Egyptian scientists are to cooperate in research on irrigating tomatoes and melons with saline water and on using salt bushes for fodder. Agreement on this was reached at a meeting in Alexandria of U.S., Israeli and Egyptian scientists involved in the tripartite Cooperative Arid Lands Agricultural Research program (Calar), according to Professor Dov Pasternak of Ben-Gurion University in Beersheba. Pasternak, who headed the 15-member Israeli team, said that a "breakthrough" had been achieved at the conference. The joint program, coordinated by the San Diego State University Foundation, promotes research in saline water irrigation, arid zone shrubs for fodder, and the development of crops for industrial use. In Alexandria, Pasternak said, the scientists decided to work together on the first two goals. "But each team will work on separate industrial crops, with Egypt concentrating on the jojoba and Israel on the guava." The Alexandria conference was attended by 60 Egyptian scientists from five universities and several Agriculture Ministry institutes. The Alexandria meeting has already resulted in plans for a visit in Beersheba by five Egyptian scientists in March, with more such exchanges in the offing (*Jerusalem Post*
12. International Edition, Week Ending February 8).

January 31. In 1985 there were 228 illegal border crossings along the Egyptian-Israeli border, with the most taking place in October—30 illegal crossings. An Israeli officer estimated Israeli success at capturing infiltrators at "90 percent in the Gaza District, 100 percent success in the Eilat District, and 40 percent success in the problematic area between the Gaza District and Eilat." According to Customs Authority statistics, 16 infiltrators were caught trying to smuggle goods from Israel to Egypt since October 1985, compared to only 6 in all of 1984. The value of the goods is estimated at more than $1 million a year. In October 1985, goods were captured valued at some $100,000 (*Davar,* January 31).

March 6. Yosef Tahan, an Israeli convicted of smuggling drugs into Egypt, was sentenced to death by hanging by a Cairo court. Tahan had been arrested at Cairo airport in August 1985 on his way home from India. A search of his luggage yielded 1.25 kilos of heroin. He told the court that he had intended to sell the drug in Israel. Israeli officials indicated that they would try to intercede with Mubarak to have Tahan's sentence commuted to life imprisonment or, preferably, to have him extradited to Israel for trial. If convicted in Israel, he could be sentenced

to life (*JTA Bulletin,* March 7).

March 7. The Israeli delegation of directors general of the Ministry of Foreign Affairs and the Prime Minister's office returned from Cairo after two days of Taba and normalization talks with Egypt. Among the subjects discussed was the cessation of hostile propaganda. Foreign Ministry sources in Jerusalem noted with satisfaction the publication on March 5 of an interview by Egyptian journalist Kamal Zulfikar Shah with Prime Minister Peres in the Cairo weekly *Akher Sa'a.* Israeli leaders had very rarely been interviewed in the Egyptian press. Meanwhile, the Egyptian charge d'affaires in Israel, Mohammed Bassiouny, was accorded the personal rank of ambassador, according to AFP reports from Cairo. However, he would continue to serve in Israel as charge d'affaires (*Jerusalem Post* International Edition, Week Ending March 15).

March 19. Unidentified gunmen opened fire on a car carrying two Israeli diplomats and their wives at the Cairo International Fair, killing one of the women—Eti Tal-Or, 24—and wounding the other three Israelis. A statement delivered to a Western news agency in Cairo said the attack had been carried out by a little known group calling itself Egypt's Revolution. A group using the same name had also claimed to be behind the slaying in Cairo in August 1985 of an Israeli diplomat. The statement condemned Israel and Egypt's diplomatic ties with it. Egyptian authorities quickly put up roadblocks in the vicinity of the shooting and said the attackers and their car were being sought. But no arrests were made. Egyptian authorities said that the four Israelis were leaving their work at the Israeli pavilion by car when "unknown persons" attacked from another car. The attack came as an Israeli delegation was in Cairo for talks with the Egyptian government over Taba (*Washington Post,* March 19; *New York Times,* March 20).

March 20. Egyptian and Israeli officials continued talks in Cairo aimed at improving bilateral relations despite the March 19 attack on the Israeli diplomats. At a meeting with Israeli Tourism Minister Avraham Sharir, President Mubarak conveyed his condolences to the Israeli Government for the loss of life. Sharir said Mubarak and top Egyptian officials expressed genuine shock over the attack and told him those responsible were not Egyptians and would be tracked down and punished. Mubarak also stressed Egypt's desire to pursue the peace process and he has taken concrete steps in that direction, according to Sharir. In the area of tourism, he said, the Israeli and Egyptian Governments will establish a joint committee of travel agents to examine entry permits and fees relat-

ing to Israeli visits to Egypt. The purpose is to expedite procedures to increase tourist traffic. The committee will also draft proposals for the promotion of Egyptian tourism to Israel. A joint fund will be created to publicize Egypt-Israel package tours in Europe and the U.S. by advertising and public relations in those countries. Mutual study tours by Israeli and Egyptian travel agents and media representatives will be undertaken to improve the atmosphere and stimulate tourism. These steps were agreed to at meetings between the 15 Israeli travel agents who accompanied Sharir to Cairo and 40 Egyptian travel agents. Sharir reported in addition that Mubarak had abolished the special visas necessary for Egyptians to visit Israel. He has ordered an end to trade restrictions, thereby giving Israel equal status with European countries doing business with Egypt, Sharir told the Cabinet. He said chances were good to reach a $150 million trade agreement with Egypt (*JTA Bulletin,* March 25).

March 20. Israeli Prime Minister Peres said in Tel Aviv that the March 19 attack on the Israeli diplomats would not dampen efforts by Israel and Egypt to reach a comprehensive peace agreement. "I'm not surprised that there are terrorists and terrorist organizations who want to ignite a large fire in the Middle East by terrorism," Peres said. He added that he hoped the Egyptian Government would "take all the necessary
14. measures" to find the terrorists and put them on trial. Foreign Minister Shamir praised the Egyptian media for the sympathetic coverage it gave to the attack. Only one newspaper, *Al-Gumhuriya,* struck an anti-Israel note when it maintained that Israeli diplomatic personnel in Egypt would be safe only when Israel changed its policies with respect to Lebanon and the territories. Shamir, who had always taken a hard line toward Egypt, had rare praise for the way the Egyptians behaved after the attack. He disclosed that Mubarak had personally ordered the Cairo hospital where the victims were taken immediately after the attack to give them priority treatment (*Washington Post,* March 21; *JTA Bulletin,* March 25).

March 21. A senior Israeli official involved in the negotiations on the Taba border dispute and normalization of relations with Egypt said that a great deal of progress had already been made. He pointed to the cessation of Egyptian attacks on Israel at international forums; the cessation of Egyptian interference in Israeli efforts to establish relations with Third World states (and Spain); the cessation of official anti-Israeli statements in Egypt; permission for the search of the lost Israeli submarine in Egyptian territorial waters; and the Israeli agreement to the construction of the Coptic College in Jerusalem (*Jerusalem Post* International Edition, Week

Ending March 29).

May 4. A three-day conference with the participation of 50 Israeli and Egyptian scientists opened in Washington to discuss the results of six years of quiet cooperation. Their joint efforts had produced, among other things, a new species of goat, a hybrid fish, and a new kind of desert shrub. The conference grew out of the U.S.-financed Middle East Regional Cooperation program that had brought together more than 1,000 scientists from the two countries since the signing of the 1979 Egyptian-Israeli peace treaty. The program is widely regarded in Egypt and Israel as the most productive forum for continuing contacts between scholars, scientists, and officials. The scientific cooperation began in 1980 and has centered on infectious disease, marine science and arid-land agriculture (*Washington Post,* May 5).

June 7. Writing in the Egyptian daily *Akhbar al-Yawm,* Abd al-Salam Daud says that Zionism has been implementing the Talmud's plan of a Jewish takeover of the world. The most salient phenomenon in this respect is the takeover by the "Zionist pressure group" of the United States, particularly of the mass media. Daud continues: "Israel does not fight with weapons but with the United States. The peace with Israel is not the end of the struggle, and Israel does not conceal its ambitions, indicated in the Talmud." The article is accompanied by a cartoon featuring a yarmulka-donning octopus. One of its arms is holding media instruments and the other a sword (*Akhbar al-Yawm,* June 7).

June 11. In an editorial accusing Israel, the United States, and the Zionist organizations of interference in Waldheim's election, the Egyptian daily *Al-Gumhuriya* writes: "Nor has the widespread propaganda conducted by Israel and the United States managed to conceal the close historic cooperation that took place during the 1930s between the leaders of the colonialist Zionist movement in Palestine and Hitler's Nazi government which extended great help to them through the transfer of Jews to the occupied Arab land . . . And while Israel claims that it is a permanent foe of Nazism it constantly employs Nazi methods in the war against the Arabs and in the propaganda against them and against all who support them. That is the lesson of the Presidential elections in Austria." (*Al-Gumhuriya,* June 11).

June 14. Muhammad al-Hayawan writes in *Al-Gumhuriya* that Israel is used to interfere in the affairs of others and exploit the Nazi persecutions, although they are imaginary and doubtful. He continues: "Europe pro-

foundly hates the Jews. The Jew is the Merchant of Venice who sucks the blood of his victims, the cancer that destroyed society's cells and the plague that Europe used to isolate in the Jewish quarter to prevent the contagion of others" (*Al-Gumhuriya,* June 14).

July 14. A commentator of the Egyptian radio station "Voice of the Arabs" refers to "the racist, aggressive" Israeli "entity," which "employs Fascist and Nazi methods." The commentator said that for 40 years Israel had used the "lie" of the Nazi extermination of the Jews to blackmail the international community, but, in fact, "not one Jew was killed in the gas chambers." Those were designed to "disinfect clothing," the gas in them could not kill people, and the cells could not contain the numbers of people claimed by the Israelis, the commentator added. (*Voice of the Arabs,* July 14).

July 17. Israeli, Egyptian, and American agronomists met in Rehovot, Israel, to discuss the suppression of plant disease and pests, improved milk production and increased grain and vegetable yields in the framework of a trinational project aimed at improving agricultural development in Israel and Egypt. The meeting was the fourth gathering of the project's coordinating committee. It sits twice a year, alternately in Egypt and Israel. The project is administered by the U.S. Department of
16. Agriculture and funded by the U.S. Agency for International Development (*JTA Bulletin,* July 24).

· **July 27.** A group of 19 Egyptian agronomists has begun a three-week stay in Israel to take part in courses on irrigation methods. The group will be staying in Tel Aviv. Israeli sources maintain that the visit is a sign of Cairo's desire to improve ties with Israel, on the assumption that the Taba compromise is about to be signed and a general thaw in the cold peace will follow (*JTA Bulletin,* July 28).

August 5. Egyptian Tourism Minister Fouad Sultan left Israel after completing a three-day visit at the head of a five-member delegation accompanied by 12 Egyptian travel agents and two journalists. During the visit, the two countries tourism ministers signed a new tourism agreement according to which delegations headed by the ministers would meet with tourism ministers of other Mediterranean countries to discuss plans for regional cooperation in promoting tourism. Tourism representatives of Israel and Egypt would meet with U.S. and other airline companies and tour operators to arrange seminars and combined tour packages (*Jerusalem Post, Aug. 4 & 6, 1986).*

September 10. Egyptian and Israeli negotiators agreed on a formula for settling a border dispute between them. After more than 12 hours of meetings—most of them with the American special Middle East envoy, Richard W. Murphy, taking part—the two sides agreed on the terms under which their long-running dispute over Taba would be sent to arbitration. The Egyptian cabinet, sitting in a late-night session, approved the agreement, which paved the way for a Peres-Mubarak summit (*New York Times,* September 11).

September 12. President Hosni Mubarak and Prime Minister Shimon Peres ended the first Egyptian-Israeli summit meeting in five years. The two leaders said there should be an international conference to seek Middle East peace, and that "in principle" a committee should be appointed to look into this possibility. The Egyptians announced that they would return an ambassador to Israel, from which the envoy was withdrawn in 1982, by raising the status of the present charge d'affaires, Mohammed Bassiouny. The two-day meeting ended with a joint communique (text in Appendix I) declaring 1987 as "a year of negotiations for peace" (*New York Times, Washington Post,* September 13).

September 23. Egypt's new ambassador to Israel, Mohammed Bassiouny, presented his credentials to President Chaim Herzog, ending a four-year absence of an Egyptian ambassador in Israel. Cairo withdrew Ambassador Saad Murtada in September 1982 in protest over the massacre of Palestinians by Christian militiamen in Beirut. Bassiouny was Egypt's charge d'affaires in Tel Aviv. Herzog called his return as ambassador "another step on the road to a real and lasting peace in the Middle East" (*Washington Post,* September 24). 17.

October 6. Gunnar Karl Andreas Lagergren, an international jurist from Sweden, will be the third member of the three-member panel to arbitrate the Israeli-Egyptian border dispute over Taba, it was announced by the Israeli Ambassador to the United Nations in Geneva. Eliav said Lagergren was the first choice of both the Israeli and Egyptian delegations which met in Geneva on September 29 to complete the panel of arbitrators. Israel and Egypt had agreed earlier on the other two arbitrators, Dietrich Schindler of Switzerland and Pierre Bellet of France. Both are international jurists. The panel and delegates from both countries will open the arbitration proceedings in Geneva on December 3. The process is expected to last a year (*JTA Bulletin,* October 7).

October 9. The search conducted by the U.S. Navy over the past

month for the wreckage of the missing Israeli submarine Dakar had revealed nothing, an army spokesman said in Tel Aviv. An agreement between the U.S. and Egypt allocated 70 days for the search but, an Israeli security official said "It has taken less time than anticipated to cover the area." The Dakar, a refurbished British-made vessel, disappeared in January 1968 on a maiden voyage from England to Israel, with all its 69-man crew (*Jerusalem Post* International Edition, Week Ending October 18).

October 26. A year after 7 Israelis, including 4 children, were gunned down by a beserk Egyptian soldier on the beach at Ras Burka in eastern Sinai, Israelis are beginning to flock back to the Sinai. About 2,000 Israeli tourists had crossed the border into Sinai since the week-long Succot festival began on October 17. This is only half the number of tourists at the same time in 1985, but the Israelis reported a positive change of attitude on the part of the Egyptian authorities (*JTA Bulletin,* October 27).

October 27. Egypt congratulated Prime Minister Yitzhak Shamir on the assumption of his new office. A letter from Egyptian Vice Premier and Foreign Minister Esmat Abdel Meguid wished the Israeli leader good health and success and expressed hopes that the "progress made so far between Egypt and Israel will be a solid basis for a comprehensive
18. peace to encompass all the partners in the areas." The message arrived a week after similar good wishes were extended by Cairo to outgoing Prime Minister Shimon Peres who took office as Deputy Prime Minister and Foreign Minister after the rotation of power in Israel's unit coalition government. Shamir had what he considered a productive meeting with Meguid at the UN headquarters in New York in September, when he was Foreign Minister. According to reliable sources, he expects normalization to improve significantly once the arbitration process begins in December (*JTA Bulletin,* October 29).

November 30. Israel's Cabinet formally accepted an agreement with Egypt to submit to arbitration their four-year-old dispute over Taba (*New York Times,* December 1).

December 2. President Hosni Mubarak of Egypt has sent a message to Premier Yitzhak Shamir expressing hope that Egypt and Israel would continue to cooperate to "promote peace in the area." The message was conveyed to Shamir by Energy Minister Moshe Shahal who returned from a visit to Egypt (*JTA Bulletin,* December 4).

December 10. Egypt and Israel formally began the international arbit-

ration process to settle the Taba border dispute between them (*International Herald Tribune*, Dec. 11).

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January 21. Israel-Egyptian relations will be "severely damaged or strained" if convicted Israeli drug smuggler, Yosef Tahan, is executed in Cairo, senior sources said in Jerusalem. The sources were reacting to a report from the Egyptian capital that the death sentence against Tahan, handed down by a Cairo court last March, has been upheld by the Court of Cessation (court of appeals). A council of Muslim theologians confirmed the sentence last year. By Egyptian law, the death sentence must still be approved by President Hosni Mubarak before it can be carried out. The sources in Jerusalem said that public opinion in Israel would be "outraged" if an Israeli citizen were executed in Cairo for a drug offense. Tahan was arrested in Cairo airport in August 1985 in possession of 3 pounds of heroin. He said at his trial that he had intended to smuggle the drugs overland into Israel (*Jerusalem Post* International Edition, Week Ending January 31).

February 6. Egypt informed Israel that its defense minister had not defined Israel as Egypt's "main enemy" and had not said that Egypt must prepare for war against Israel. The message, transmitted by Egyptian officials in Cairo to Israeli Ambassador Moshe Sasson, referred to a report in the pro-Libyan Beirut newspaper *Al-Safir* containing purported excerpts from a January speech by Defense Minister Mohammed Abdul Halim Abu Ghazala to the defense committee of Egypt's parliament. Officials in Jerusalem said Israel accepted Egypt's explanation of the speech report and regards the matter as a "non-issue," especially since the alleged statement had not appeared in any Egyptian publication (*Jerusalem Post* Foreign Service, quoted in *Jewish Week*, February 13). 19.

February 16. Australian Prime Minister Robert J.L. Hawke said that in a conversation with him in Cairo on February 2, Egyptian President Hosni Mubarak emphasized that Soviet participation in an international peace conference would be possible only after Moscow resumes diplomatic relations with Israel. Mubarak told Hawke that the conference would not be able to impose solutions on the parties not acceptable to one of them. He indicated that the conference would only be an opening to negotiations between the parties directly involved in the conflict, like King Hussein. Mubarak supported a Jordanian-Palestinian

confederation and rejected the establishment of a Palestinian state west of the Jordan (*Ha'aretz,* February 17).

February 25. After his first day of talks in Cairo, Israel's Foreign Minister Shimon Peres said Egypt no longer insisted on PLO participation in a prospective international peace conference and was willing to discuss with Israel and Jordan alternative forms of Palestinian representation (*Jerusalem Post,* February 26).

February 26. President Mubarak launched his meeting in Cairo with Israel's Foreign Minister Peres by announcing the introduction of direct telephone dialing between the two countries as of the next day (*Jerusalem Post,* February 27).

February 27. The Israeli Foreign Minister, Shimon Peres, announced that he had agreed with Egyptian officials that there should be an international conference on Middle East peace in 1987. The agreement, reached after two meetings in Cairo with President Hosni Mubarak, reaffirmed in writing a call the two men made in Alexandria last fall, when Mr. Peres was the Israeli Prime Minister. A joint statement (see Appendix II for text), read publicly by the Egyptian Foreign Minister, Esmat Abdel-Maguid, before Mr. Peres left Cairo at the end of his three-day visit, called
20. for the convening of an international conference leading to direct negotiations between all the parties concerned based on resolutions 242 and 338 (*New York Times,* February 28).

April 27. Egypt closed all offices of the PLO in Cairo and Alexandria in an angry reaction to harsh criticism from the PLO's legislative body, the Palestine National Council, which concluded its session in Algiers on April 26. A statement read by Egyptian Foreign Minister Esmat Abdel Maguid described the resolution adopted by the PNC as a "foolish resolution issued for no reason at all and in total aggression against the truth." But the closings do not reflect any change in Egypt's "support for the struggle of the Palestinian people," the statement said. The Egyptian delegate, Taha Farnawani, walked out in protest at the Palestinian meeting. In Jerusalem, Israeli Foreign Minister Shimon Peres expressed satisfaction at Egypt's move, characterizing it as "an additional step toward the promotion of the peace process" (*New York Times, Washington Post,* April 28).

May 14. Egypt and Israel submitted documents with their arguments to the Taba arbitration panel set up last year to determine the issues of sovereignty over that area. These acts were the first step toward the begin-

ning of the actual discussion of the arbitration procedures that are planned to begin at the end of 1987 or early 1988 (*Ha'aretz,* May 15).

May 19. In a conversation with Western reporters, the director of President Mubarak's Bureau for Political Affairs, Osama Baz, confirmed that Egypt still wants a seat for the PLO at an international conference. He also confirmed that attempts were under way to reconcile Egypt and PLO leader Yasir Arafat, but he said adequate steps had not yet been taken. He expressed the hope that the Israelis would still move toward a conference and said its prospects would be "enhanced" if the U.S. took "a more definite position on the desirability" of the conference. Baz urged the PLO to work out a formula for resuming cooperation with Jordan: "It's unlikely," he said, that the PLO would be able to take part independently in any international conference. "The only viable way is with Jordan" (*Christian Science Monitor,* May 20).

May 26. The Egyptian newspaper *Al-Wafd* reports that the authorities have recently issued stern instructions to all customs houses to improve their attitude toward Israeli tourists. The Israeli tourists have now been permitted to transfer all kinds of foods and drinks (*Ha'aretz,* May 27).

July 6. Egypt's Deputy Minister for Electric Affairs arrives in Israel with a delegation of scientists and engineers on an official visit as guests of the Ministry of Energy. An Israeli delegation of electrical technicians has recently visited Egypt. Minister of Energy Shahal said: "I view this as a process of first-rate importance in cooperation between the two countries" (*Kol Yisrael,* July 6).

July 8. An aviation agreement between Israel and Egypt was signed in Jerusalem. The agreement sets the coordination of air control between the airports of the two countries and between them and Kenya. The Egyptian Ambassador expressed the hope that the agreement would help to improve relations between the two countries (*Kol Yisrael,* July 8).

July 9. Egyptian President Hosni Mubarak and Israeli Foreign Minister Shimon Peres met in Geneva, Switzerland. The two discussed a U.S. proposal for a Mideast settlement and scheduled a visit to Israel by Egypt's Foreign Minister in two weeks. The talks were the first since February when the two issued a joint statement calling for a UN-sponsored international peace conference to be held this year (*Wall Street Journal, Christian Science Monitor,* July 10).

July 19. Egypt rejected criticism by Israel's Prime Minister Yitzhak Shamir of its invitation to Austrian President Kurt Waldheim. A statement by the Egyptian Foreign Ministry said that Waldheim had accepted the invitation. "The decision is one of sovereignty," said the statement. "Egypt will not allow any country to interfere in its decisions just as it does not interfere in Israel's internal affairs," the statement read. "Israeli leaders should understand this." A date for the trip has not been set and a Foreign Ministry official in Cairo said the visit would not take place "immediately," explaining that "our schedule is very full" *Washington Post,* July 20).

July 20. Egyptian Foreign Minister Esmat Abdel-Meguid, making the first visit to Jerusalem by any Egyptian leader since the Israeli operation in Lebanon in 1982, appealed for Israel to take part in an international Middle East peace conference. But while Israel's Foreign Minister Shimon Peres reacted favorably to the idea, Prime Minister Yitzhak Shamir told the Egyptian envoy that the best way to break the current deadlock was through direct talks between Israel and a joint Jordanian-Palestinian delegation. Mr. Abdel-Meguid also reaffirmed Egypt's attachment to its peace treaty with Israel and delivered to Mr. Shamir a long personal letter from Egypt's President Hosni Mubarak (*New York Times,* July 21).

22.

July 21. Speaking in Tel Aviv to the Editors' Committee, visiting Egyptian Foreign Minister Esmat Abdel-Meguid stated: "Nobody except the PLO can nominate" the Palestinian representatives to a joint Jordanian-Palestinian delegation in future peace talks. Abdel-Meguid outlined in detail Egypt's view of the conference. Resolution 242 must serve as "the most fundamental base" of the negotiations and the peace settlement, he said. he reiterated that Egypt was opposed to a change in the wording of 242 and had told the PLO this clearly. "Recognition of 242" by the parties—including the Palestinians—is "essential for the process to start," he said. While he did not designate the conference's plenary opening as "ceremonial," Abdel-Meguid stressed that it must "lead directly to direct negotiations." The five permanent members of the Security Council, he added, must "have nothing to do with negotiations" and "no role in the conduct of negotiations." Moreover, the conference will not be able to "impose a solution" or a veto. He suggested that the powers would have a role in "convening the conference" and in "mediating" between Israel and the Arab states should these reach deadlock on this or that issue. Egypt, he said, has over the years tried to persuade "our Palestinian brothers" to accept resolution 242 over endless meetings. They "enjoy discussions," he added. While again positing an international peace con-

ference as the only viable route to direct Arab-Israeli talks and peace, Abdel-Meguid, without naming Mr. Shamir, bluntly dismissed the two alternatives proposed to him by the Prime Minister—renewed autonomy talks or a "mini-international conference" under exclusive U.S. auspices. "We have no objection to the Camp David framework, he said, but Jordan was not party to those agreements, so "how can you expect Amman to act in accordance with them?"

Moreover, Abdel-Meguid said, Israel's and Egypt's views on Palestinian autonomy were essentially different, which was the reason for the collapse of the autonomy talks in the first place. "We have our differences with the PLO leadership," he conceded, "and we are a moderating influence on them" (*Jerusalem Post,* July 22).

July 21. Israeli officials accompanying Egyptian Foreign Minister Abdel-Meguid on his visit to Israel said that all the administrative restrictions imposed by the Egyptian government on the granting of licenses and trade with companies from Israel have been removed. Furthermore, Abdel-Meguid agreed to a visit by Israeli industrialists from the private sector in Egypt. He also accepted the request by representatives of the Center for Peace to send to Egypt youth delegations from Israel in order to improve relations between the two peoples. The Egyptian Foreign Minister invited Israeli Energy Minister Moshe Shahal to visit Cairo soon in order to discuss with his Egyptian counterpart the implementation of proposals Mr. Shahal had submitted to him. Mr. Shahal accepted the invitation (*Davar,* July 22). 23.

July 22. Egypt's Foreign Minister Esmat Abdel-Meguid ended a three-day visit to Israel saying he was cautiously optimistic about prospects for an international peace conference on the Arab-Israeli conflict (*Washington Post,* July 23).

July 22. The "hot line" between Israel's and Egypt's defense ministers was operated for the first time since 1982. Rabin talked with Abu-Ghazala on a direct line that was set up when Ezer Weizman was Minister of Defense (1977-1980). The conversation took place after Rabin's meeting in Israel with the visiting Egyptian foreign minister, Abdel-Meguid, in which Rabin reviewed Israel's policy in Lebanon and the territories, and raised the issue of Gaza Strip residents finding it difficult to leave for studies in Egypt and to export citrus fruit to Europe via Egypt. In addition, Rabin requested help in searching for IDF MIAs in Egyptian territory (*Ha'aretz,* July 23).

tly made by Egypt. In a consultation between Israel's prime minister, foreign minister, and defense minister a determination was reached that Israel's arguments in the Arbitration process are sound, and therefore there is no room for a compromise. Next month Israel and Egypt will submit to the arbitration panel their counterarguments to the arguments previously submitted by both countries. About two months later the panel will begin hearing the testimonies of the two parties (*Kol Yisrael,* Sept. 3).

September 6. The tripartite medical agreement between Israel, Egypt, and the United States for the research and prevention of communicable diseases common in the Middle East and North Africa has been renewed for another five years. The first tripartite agreement, signed in 1982, has led to cooperation between researchers from the Hebrew University and Hadassah Hospital in Jerusalem and their counterparts from Ain-Shams University in Cairo and from national health institutes in the United States. The funding of the project has been provided by the U.S. Agency for International Development (*Davar,* Sept. 8).

September 7. The Egyptian Foreign Ministry condemned the Israel Air Force attack on PLO targets in Lebanon. The Ministry's spokesman stated that such attacks disturb the peace efforts in the Middle East. He
26. called on Israel to build bridges of trust with its Arab neighbors and prepare the ground for peace negotiations (*Israel Defense Forces Radio,* Sept. 8).

September 10. A group of 52 Egyptian tourists arrived by bus from Cairo. That was the first time such a large group of tourists who are not official representatives or government officials arrived in Israel. The group, half of whose members are Muslims and half Christian Copts, includes school principals, teachers, and two physicians who have booked a regular tour to Israel. They are scheduled to stay in the country for eight days. The group waited for exit visas to Israel for a long time and the preparations for the trip took about four months (*Ma'ariv,* Sept. 11).

September 30. For the first time since the conclusion of the peace treaty with Israel, Egypt agreed to participate in an Israeli fair. A few weeks ago, the Egyptian authorities accepted the invitation to participate in the flower exhibition that was scheduled to take place in Holon in October. The Egyptian authorities requested that an area of 100 square meters be reserved for the Egyptian exhibit, and announced they would send an official delegation of senior officials to represent Egypt in the

exhibition. The announcement was received with satisfaction in Jerusalem, because in the past Egypt had formally avoided participation in fairs taking place in Israel and contented itself with booths of Egyptian publishers at the Israeli book fair, manned by Israeli representatives of those publishers. After the details were finalized, officials announced that the regulations forbid the imports of flowers to Israel except for special cases. Despite the intervention of the Foreign Ministry and the Ministry of Agriculture, Egypt was finally informed of the cancellation of the invitation. Foreign Ministry officials expressed hope that the Egyptian authorities would receive the cancellation with understanding, and expressed satisfaction at the interest shown by the Egyptians in participation in the exhibition (*Ha'aretz,* Oct. 1).

October 3. Egypt's Deputy Prime Minister and Foreign Minister Esmat Abdel-Meguid charged that Israel's Prime Minister Yitzhak Shamir and his positions constitute a "major obstacle" to the peace efforts in the Middle East. In an interview with the Egyptian newspaper *Al-Gumhuriya,* Mr. Abdel-Meguid said that "Shamir is free to declare whatever he wants, but we must emphasize that world public opinion and the tendencies even in Israel itself support the convening of the international conference, and we therefore do not intend to close the file just because Shamir is opposed to the conference" (*Ha'aretz,* Oct. 4). 27.

October 19. The international panel of arbiters deciding whether Egypt or Israel owns the Sinai territory of Taba will hold a new round of talks in February and hear oral testimony at the end of that month. Later, the panel will view and visit Taba, which sits at the Sinai border between Israel and Egypt. These actions were decided at meetings between the panel and Israel and Egyptian representatives October 12-14. Robert Sabel, chief legal adviser of Israel's Foreign Ministry and the head of Israel's Taba delegation, said the talks were held in a "business-like atmosphere" despite recent violence in the Gaza Strip. In addition to official meetings, Sabel held informal talks with Nabil El-Arabi, his Egyptian counterpart who represents his country at the United Nations here. (*JTA Bulletin, Oct. 25).*

October 26. Israel and the United States failed in their efforts to persuade Egypt to change its position on the payment of compensation to the families of the Ras Burka victims. Richard Murphy, the U.S. Assistant Secretary of Sate for Near Eastern And South Asian Affairs, discussed this matter at Israel's request with the Egyptian foreign minister. Prior to that discussion, the Israeli Foreign Ministry legal advisor, Robert Sabel,

met with his Egyptian counterpart to discuss the same issue. At those meetings, Egypt reiterated its position that only an Egyptian tribunal will determine the rate of compensation for the victims' families. The tribunal is authorized to determine minuscule sums only. Hence, the Israeli families are determined not to submit any claims to the Egyptian tribunal, which they regard as an insult to the memory of the victims (*Davar,* Oct. 27).

November 6. Egypt's Defense Minister Abdel-Halim Abu-Ghazala said at an arms exhibition in Cairo that the inter-Arab defense agreement does not contradict the peace treaty with Israel. This statement was received with great satisfaction in Israel; a few months ago a statement was attributed to General Abu-Ghazala according to which the Egyptian defense commitment to the Arab states takes precedence over the peace treaty (*Davar,* Nov. 11).

November 9. The chief editor of the Egyptian daily newspaper *Al-Ahram* published an editorial urging the Arab summit to renew Arab solidarity in the face of "Iranian and Israeli dangers." The editor, Ibrahim Nafa, accused Israel of being guided by religious and racist ideas that "Zionist propagandists have used to take over Palestine and occupy additional Arab lands" (*Al-Ahram,* Nov. 9).

28.

November 12-19. Following a decision of approval by the Arab summit meeting held in Amman on November 8-11, the United Arab Emirates (Nov. 12), Iraq (Nov. 13), Kuwait, Morocco, and North Yemen (Nov. 14), Bahrain, Saudi Arabia, and Mauritania (Nov. 16), and Qatar (Nov. 19) resumed diplomatic relations with Egypt, cut off following the conclusion of the Egyptian-Israeli peace treaty in March 1979. Oman, Somalia, and Sudan were the only Arab states that did not sever ties with Cairo. Jordan (Sept. 25, 1984) and Djibouti (Sept. 30, 1986) had later re-established relations, while others maintained a presence through interest sections attached to other embassies (*New York Times, Washington Post,* Nov. 13-20).

November 16. Egyptian police announced they had cracked an underground revolutionary cell that assassinated an administrative attache at the Israeli Embassy in Cairo on August 20, 1985, and a clerk at the Embassy on March 19, 1986. The group had issued communiques calling itself Egypt's Nasserite Revolution. Sixteen alleged members of the group were arrested, and others were still being sought. A police officer said all were followers of the late President Gamal Abdel-Nasser, and among them was his son Khaled Abdel-Nassar who had left Egypt for

London before police could question him (*Washington Post*, Nov. 17).

November 19. Accompanying Defense Minister Yitzhak Rabin on a tour of the Israeli-Egyptian border to commemorate the tenth anniversary of President Sadat's visit to Israel, Chief of Southern Command Yitzchak Mordechai showed reporters a smuggling tunnel discovered by Egyptian border police, who immediately disclosed it to Israeli authorities. Mordechai's staff also confirmed that Egypt had recently returned to Israel cars stolen prior to 1982, buried in the dunes of Sinai and dug up after the return of the peninsula to Egypt. The cars were found in Cairo and other cities, where they were being driven with false license plates (*Jewish Week,* Dec. 4, quoting Jerusalem Post Foreign Service).

November 24. Israel and Egypt, assisted by the United States, are continuing their efforts to reach a settlement of the Taba border dispute before the case goes to a panel of international legal experts this winter for binding arbitration. Separate meetings were held in Geneva on Saturday, Sunday and Monday between the Israelis and Americans, the Egyptians and Americans, and later between the Israeli and Egyptian delegations. Their talks shifted to Paris on Tuesday. Although Israel, at Egypt's insistence, agreed to binding arbitration, the door was left open to conciliation, which Israel clearly prefers. Meanwhile, both countries are preparing for arbitration. Each has submitted volumes of documents and maps in support of its respective claims. More will be submitted in February. The arbitration panel is scheduled to open its hearings in March and is expected to reach a decision by next July (*JTA Daily News Bulletin,* Nov. 25). 29.

November 27. The Egyptian media praised the November 25th Palestinian hang-glider attack on the Israeli Army base in the northern Galilee in which six soldiers were killed. The Cairo daily expressed the opinion that the attack "was justified." Radio Cairo indirectly praised the act by arguing that it thwarted Israel's attempts to divert international attention from the Palestinian problem to the Persian Gulf conflict (*Ha'aretz, Davar,* Nov. 29).

November 29. The PLO representative in Cairo, Zaha al-Qadra, was summoned to Egypt's Deputy Prime Minister and Foreign Minister Dr. Esmat Abdel-Meguid, who informed him that the Egyptian government had decided to permit the reopening of the PLO offices in Egypt. Immediately after the meeting a ceremony of raising the PLO flag over its

main building in Cairo took place with the participation of Egyptian government representatives. The PLO is expected soon to reopen its offices, which were closed at Cairo's instructions on April 27 following the Palestine National Council resolution in which Egypt's policy was criticized (*Ha'aretz,* Nov. 30).

December 1. An Israeli soldier was slightly wounded when two unidentified gunmen opened fire on an Israeli Army patrol after having cut a hole in the Egyptian-Israeli border fence just north of the town of Rafiah, an Israeli spokesman said. It was the first reported attack on Israeli troops along the Egyptian-Israeli border since Israel returned the Sinai to Egypt in 1982 as part of the 1979 peace treaty. By examining the tracks, the Israeli soldiers determined that the gunmen had reached the fence from Egyptian territory and returned there (*NYT,* Dec. 2).

December 1-3. Egypt's Ambassador in Israel, Mohammed Bassiouny, acted quickly to prevent misunderstandings with regard to the attack on the Israeli patrol at the Egyptian border. He explained that this was a thwarted attempt at infiltration and promised that Egypt would act to prevent the recurrence of such incidents (*Hadashot,* Dec. 2). The Egyptian authorities in the Rafiah area decided to deploy additional soldiers in the area where the incident had occurred. Egyptian sources reported that an
30. investigation established that this was a one-time incident and that no Egyptian citizens were involved (*Ha'aretz,* Dec. 3). Appearing before the Association of Foreign Correspondents in Israel, Prime Minister Yitzhak Shamir said that the incident took place against the will of the Egyptian government, which was taking all the necessary measures to capture the perpetrators and prevent the recurrence of such incidents (*Davar,* Dec. 4).

December 2. At a discussion following the reopening of the PLO offices in Cairo and the shooting incident at the Egyptian-Israeli border, Foreign Minister Shimon Peres stated: "The matter with Egypt should be examined according to three criteria: The first—an Israeli embassy in Cairo and an Egyptian embassy in Israel—it's there. The second—a demilitarized Sinai—it is demilitarized. The third—does Egypt, in its relations with the Arab states, insist on the peace treaty with Israel? It does. To say that I am happy with Egypt's reopening of PLO offices or permitting the raising of PLO flags in its capital—far from it. I think that Egypt is aware of our—and my—displeasure at this event." However, Mr. Peres continued, "during the peace negotiations and also when the peace treaty was signed, there were PLO offices and the PLO flag was flying in Cairo . . . Of course things should be protested, but the basic principles

remain intact." (*Ha'aratz,* Dec. 3).

December 12. Egyptian Foreign Minister Esmat Abdel-Meguid sent a message to Israeli Foreign Minister Shimon Peres stating that Cairo utterly rejected "the violent measures taken by Israel against the Palestinians." The message said violence in the West Bank and Gaza would breed more violence and would impede efforts for a comprehensive Middle East settlement.

Mr. Abdel-Meguid also met a PLO delegation and discussed ways of increasing consultations between Egypt and the PLO. The PLO team, led by an executive committee member, Mahmoud Abbas, had been exploring PLO-Egyptian ties and prospects for a visit by PLO Chairman Yasir Arafat after Egypt let the organization reopen its Cairo offices last month (*New York Times,* Dec. 13).

December 16. The establishment Cairo newspaper *Al-Akhbar,* reacting to events in the territories, wrote in an editorial that "the people of Israel have been famous in all periods of history for acts of meanness and deceit." Israel was harshly criticized in all Cairo newspaper editorials for its actions in the territories (*Ha'aretz,* Dec. 17).

December 20. Egypt summoned the Israeli Ambassador, Moshe Sasson, to the Foreign Ministry to express concern over what it called "the brutal, oppressive measures taken by Israel against the Palestinian people." It was the fifth protest statement issued by Egypt in eight days; violence in the territories had left at least 16 Palestinians dead in the previous twelve days. An Egyptian statement issued on December 19 said: "President Hosni Mubarak and all the Egyptian people are following with deep concern and dissatisfaction bloodshed in the occupied territories. Indiscriminate shooting at civilians will only lead to more violence and tension, and deepen hatred and revenge." The statement indicated that relations between Israel and Egypt had reached one of the lowest points since 1982, when Egypt withdrew its ambassador after the Shatila and Sabra massacres in Beirut. "You can't imagine the reaction of Egyptian people, in the streets, when they see the pictures on international television," said the Egyptian Ambassador to Israel, Mohammed Bassiouny. "I think, since 1982, this is the first time the atmosphere in Egypt is very tough against Israel," he added. 31.

Hani al-Hassan, a senior aide to Yasir Arafat, the PLO chairman, arrived in Egypt for talks (*New York Times,* Dec. 21).

December 21. Israel's Ambassador to Egypt, Moshe Sasson, was sum-

moned to the Egyptian Foreign Ministry to receive a formal protest over a remark attributed to Israel's Ambassador to the United Nations, Benjamin Netanyahu, which was considered derogatory of Egypt. Mr. Netanyahu reportedly said that Egypt used tougher measures against demonstrators than Israel does (*JTA Bulletin,* Dec. 22).

December 23. "We are pleased with the resolution to condemn Israel which was adopted by the Security Council. We were, in fact, involved in its formulation," Egyptian Minister of State for Foreign Affairs, Dr. Boutrus Ghali, said to the *Yedi'ot Aharonot* correspondent in Cairo. Ghali added: "The resolution faithfully reflects international dissatisfaction with your conduct and policy" (*Yedi'ot Aharonot,* Dec. 24).

December 24. President Mubarak told Israeli Member of Knesset Abd al-Wahab Darausha in Cairo that Egypt would not, at this stage, cut off its diplomatic relations with Israel to protest the events in the territories. The President said he was committed to the peace policy toward Israel and believed that in the Middle East, relations of cooperation and brotherhood should prevail between Israel and the Arabs. But he said that Egypt would not accept the continuation of Israel's rule over the territories, and would work indefatigably for the achievement of a political solution to the Palestinian problem. He stated that Israel "places him in a delicate situation" because of its opposition to the convening of an international conference (*Davar,* Dec. 27).

32.

December 26. Austrian President Kurt Waldheim has accepted an invitation from President Mubarak to make an official visit to Egypt, Austrian Foreign Minister Alois Mock said on his arrival in Cairo (*Washington Post,* Dec. 27).

December 26. During a debate on the situation in the territories, many members of Egypt's parliament, the People's Assembly, demanded that President Mubarak return Ambassador Mohammed Bassiouny to Cairo and expel Ambassador Moshe Sasson from Egypt to protest the "oppressive measures" taken by Israel against the Palestinians in the territories. The members declared that if this step did not improve Israel's policy toward the Palestinians, the diplomatic ties between the two countries should be cut off completely. At the end of the debate, the parliament issued a statement calling upon the parliaments of the world to "strongly condemn Israel's oppressive measures in the occupied territories". The statement also said that Egypt had approved the peace treaty with Israel not as a separate peace, but as basis for the achievement of a comprehensive settlement of the Arab-Israeli conflict, and that the "oppressive

measures" taken by Israel were an obstacle to the promotion of the peace process.

The Chairman of the People's Assembly made the following statement to the members on behalf of the government: "... The government acted wisely and requested the United States not to use its veto at the Security Council [which "strongly deplored" Israel's actions in the territories]. The government succeeded and the Security Council resolution was adopted. Moreover, the problem is not the return of an ambassador or the expulsion of an ambassador. The political leadership must handle these problems with judicious, well-planned wisdom because the final objective is the convening of an international conference. Therefore it is not wise to take a step that would give others who do not want to convene the international conference an excuse. We must exercise self-restraint and political wisdom in order to pave the way at the world level as well as between the parties for the convening of the International conference on which we very much insist" (*Davar,* Dec. 28).

December 29. Egyptian security forces forcefully dispersed in Cairo a demonstration of over 1,000 students at Ayn-Shams University who demanded that diplomatic relations with Israel be immediately cut off. The students also burned an Israeli flag. That was the third student demonstration at Ayn-Shams University during the month of December 33.
to protest what was described as "Israel's oppressive measures against the Palestinians in the occupied territories" (*Ma'ariv,* Dec. 30, *New York Times,* Jan. 2, 1988).

December 30. In an official announcement, Egypt's Foreign Minister Esmat Abdel-Meguid stated that Egypt was deeply concerned about Israel's intention to deport hundreds of Palestinians from their homeland. He said that this arbitrary step was an illegal aggravation of the situation and a violation of international law and of the Fourth Geneva Convention. The Foreign Minister stated that Egypt supports the uprising of the Palestinian people, whose freedom has been robbed. He stressed that Egypt condemned the Israeli measures to quell the uprising, which, he claimed, casued the deaths of dozens, the injury of hundreds, and mass arrests (*Ma'ariv,* Dec. 31).

December 31. Israel rejected the latest version of an American compromise proposal on Taba which granted Egypt sovereignty over all of the area in dispute and gave Israel special access rights. The proposal was submitted a week earlier by U.S. State Department legal advisor Abraham Sofaer, and was the latest in a series submitted during the pre-

vious six months all of which had been rejected. Egypt had also turned down the proposal but said it had "many positive aspects." The period earmarked for compromise was scheduled to end by the beginning of February 1988, and the actual arbitration was to begin at that time with a visit of the panel to Taba (*Jerusalem Post International Edition,* Week Ending Jan. 9, 1988).

34.

Appendix I: Joint Communique, September 12, 1986

The Alexandria Declaration

ALEXANDRIA, Egypt, Sept. 12 (AP) — Following is the text of the joint statement read today at the end of the summit conference here between President Hosni Mubarak of Egypt and Prime Minister Shimon Peres of Israel:

The meeting between President Hosni Mubarak and Israeli Prime Minister Shimon Peres in Alexandria on the 11th and 12th of September marks a new era in bilateral relations between Egypt and Israel as well as in the search for a just and comprehensive peace in the Middle East.

The signing of the compromise of the Taba arbitration reaffirms the importance of dialogue and negotiation as a means for settling international dispute away from the spirit of confrontation and violence. It constitutes a promising model to be followed and built upon.

The Egyptian-Israeli peace treaty reflects a shared commitment to proceed jointly and simultaneously to enforce the structure of peace between the two peoples and the achievement of a comprehensive peace in the region that will bring about a peaceful settlement of the Arab-Israeli conflict including the resolution of the Palestinian question in all its aspects.

President Mubarak and Prime Minister Peres firmly believe that having referred the Taba issue to arbitration, the two countries can now concentrate their efforts on reviving the comprehensive peace process. They view with great concern the effects of the stalemate on the process.

They declare 1987 as a year of negotiations for peace.

They call upon all parties concerned to dedicate this year to intensive efforts to achieve the common and noble objective of a just, lasting and comprehensive peace.

President Mubarak and Prime Minister Peres, together with other concerned parties, will continue their efforts toward a solution of the Palestinian problem in all its aspects and the establishment of a comprehensive peace in the region.

I have been asked to inform you that Egypt has appointed a new Ambassador for Israel, Dr. Mohammed Bassiouny, and that the Government of Israel has accepted this nomination.

Source: *The New York Times,* September 13, 1986

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MEMO TO: ROBERT LIFTON
HENRY SIEGMAN

FROM: HASKELL BERNAT

DATE: MARCH 24, 1989

RE: IRA HECHLER'S INAUGURAL GIFT

Prior to your leaving for Israel you expressed concern about possible ambiguities surrounding Ira Hechler's pledge of $100,000. Attached is a second copy of the letter I sent to him to which he has registered no disagreement to date.

I have an appointment with him on April 14th to talk about expanding our contacts. I will raise the issue with him at that time.

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RABBI HASKELL M. BERNAT

March 10, 1989

Mr. Ira Hechler
45 Rockefeller Plaza
Suite 1701
New York, NY 10111

Dear Ira:

Your telephone call absolutely brightened my day, and it is with profound gratitude that I acknowledge your pledge of $100,000 to the 1989 Inaugural/Annual Giving Campaign.

I am most eager to cooperate with you in the receipt and sale of stock in fulfillment of the commitment, and will await your instructions in this matter.

Your friendship and support of the American Jewish Congress has become an indispensable factor in our on-going achievements. Please extend my gratitude to Marilyn for your family's generosity as well as for the personal warmth and caring that has been so important to me of late.

Faithfully,

Haskell

Rabbi Haskell M. Bernat
Associate Executive Director

cc: Robert K. Lifton
Henry Siegman

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FROM: Irene Badi

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Carmen: As requested, attached are bios for Messrs. Robert K. Lifton and Henry Siegman.

Biographical Sketch
of
Robert K. Lifton

Mr. Lifton holds a B.B.A. degree from the School of Business Administration, City University of New York, Magna Cum Laude where he was elected to the honorary society Beta Gamma Sigma, and an L.L.B. degree from Yale Law School in 1951, where he was a member of Order of Coif and Note Editor of the Yale Law Journal. He was admitted to the New York Bar in 1952.

After serving as an officer in the Navy Supply Corps, Mr.Lifton was an associate attorney with Kaye, Scholer, Fierman, Hays and Handler from 1955 to 1956 when, with his present partner, he began extensive real estate activities. With his partner he organized Transcontinental Investing Corporation in 1961 and served as its President until 1968 when it was listed on the New York Stock Exchange and was Chairman of the Board until its merger in 1972.

Presently, Mr. Lifton is Co-Chairman of Marcade Group, Inc. (NYSE); he is a founder and on the Board of Directors of Preferred Health Care, Ltd. (OTC); and an officer and director of a number of privately held companies.

From 1972 to 1978 he was Visiting Lecturer in Law at both the Columbia and Yale Law Schools where he taught basic and advanced courses in real estate and real estate financing.

He has written and lectured extensively on the subject of Real Estate. His article on "Real Estate in Trouble" is in the July 1976 issue of *The Business Lawyer* and he holds the Graham and Dodd Award for the best article in the *Financial Analysts Journal* for 1962. His book "Creative Real Estate-Business Tax and Legal Strategies" was published by Harcourt, Brace, Jovanovich in March 1979 and was a book club selection for the Lawyers' Book Club and the Executives' Book Club. The book is now in its second edition.

Mr. Lifton is President of the American Jewish Congress having formerly been Chairman of its Fund for Religious Liberty. He is a trustee of the NYU Real Estate Institute and Chairman of the Oversight Committee of the NYU Masters Program in Real Estate. He was Chairman of the Parents Committee of Barnard College from 1977 to 1978 and he was a member of the Committee of the Collection of Whitney Museum from 1978 to 1980. In 1984 he was presented with the Distinguished Achievement Award by the Alumni of the Baruch School of Business Administration.

Mr. Lifton is listed in "Who's Who in America" and "Who's Who in the World".

Biographical Sketch
of
Henry Siegman

Henry Siegman has been executive director of the American Jewish Congress since October, 1978.

Before that, Mr. Siegman served for thirteen years as executive vice president of the Synagogue Council of America, composed of the congregational and rabbinical bodies of Conservative, Orthodox and Reform Judaism in the United States.

Prior to joining the Synagogue Council of America in 1965, Mr. Siegman was with the National Jewish Community Relations Advisory Council. Before that, he was executive director of the American Association for Middle East Studies and editor of "Middle East Studies."

A graduate of the New School for Social Research, Mr. Siegman received rabbinical ordination and served as a chaplain in the U.S. Army in Korea, where he was decorated with the Bronze Star.

A member of the Council on Foreign Relations, Mr. Siegman participated in the Brookings Study Group that recently issued the Brookings Institution report, "Toward Arab-Israeli Peace." Mr. Siegman is a frequent visitor to the Middle East and has led AJCongress study missions in meetings with the heads of state of Israel, Egypt and Jordan.

Mr. Siegman served on the planning committees for the White House Conference on Civil Rights, the White House Conference on the Family and the White House Conference on Nutrition and Health. In 1970, he was honored by the President of the United States as a "Distinguished American."

Mr. Siegman was a founder of the International Jewish Committee for Interreligious Consultations, which represents world Jewry in its relations with the Vatican and the World Council of Churches.

Mr. Siegman has lectured and published widely on Jewish, interreligious and international affairs.

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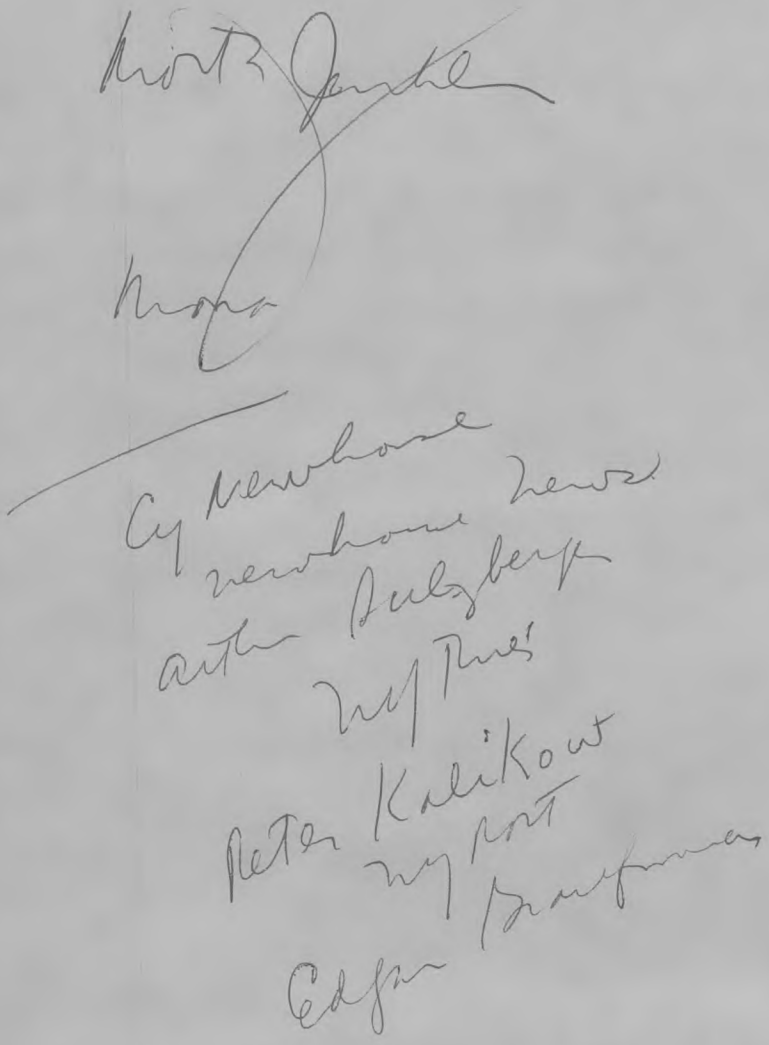

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FROM: Henry Siegman

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March 27, 1989

Ambassadpr Abdel Raouf El Reedy
Egyptian Embassy
2310 Decatur Place, N.W.
Washington, D.C. 20008

Dear Raouf:

Enclosed is a list of important American Jews whom you may wish to invite to a meeting with President Mubarak.

If you have any questions about any of them, please do not hesitate to call me.

If you were thinking of a larger meeting, I will be glad to send you additional names before the day is out.

Warm regards.

Sincerely,

Henry Siegman

HS.ilb
enc.

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AJ Congress

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Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
212 879 4500 • Fax 212 249 3672

~~Boards~~
Bd of Trustees
Egypt

September 20, 1991

TO: Board of Trustees

FROM: Louis Perlmutter, Chairman

I am pleased to inform you that we have scheduled a luncheon meeting of our Board of Trustees with His Excellency Amre Moussa, Minister for Foreign Affairs of the Arab Republic of Egypt.

Mr. Moussa will be in the United States to attend the opening of the United Nations General Assembly.

This confidential luncheon briefing is scheduled for Friday, September 27th at 1:00 PM at the offices of the American Jewish Congress, 15 East 84th street.

Coming at a critical juncture in the negotiations for a Middle East Peace Conference in October, this is a particularly opportune time to hear Foreign Minister Moussa's views on the subject and how he sees Egypt's role in the developing diplomatic process.

Please call Belle Faber 212-879-4500 (X418) to let us know whether you will attend.

/lf

AJ Congress

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Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
212 879 4500 • Fax 212 249 3672

Belle B. Faber
Assistant Executive Director

F
EGYPT
MOT

September 20, 1991

Mr. Ehab Fawzy
Second Secretary
Permanent Mission of the Arab
Republic of Egypt to the United Nations
36 East 67th Street
New York, NY 10021

Dear Mr. Fawzy:

This is to confirm the upcoming luncheon meeting with His Excellency Amre Moussa, on Friday, September 27th at 1:00 PM with the Board of Trustees of the American Jewish Congress.

The luncheon will take place at the Stephen Wise Congress House, 15 East 84th Street, located between Madison and Fifth Avenues.

If you would please be so kind as to notify us prior to the luncheon who will be accompanying Foreign Minister Moussa on that day, it would be greatly appreciated.

Thank you very much for your assistance.

Sincerely,

Belle Faber

Belle B. Faber

BBF:lf

ANWAR SADAT went to Jerusalem in 1977

slowdown, and elections. This comes fairly close to meeting a key Palestinian and PLO demand, which is usually phrased as a rejection of the elections so long as they would be held "under the shadow of the occupation." (Abu Iyad, the PLO number-two man, told Spain's Felipe Gonzalez that the organization's hardly intractable conditions for approving the elections were a redeployment out of the balloting areas [not from the entire West Bank], a settlement freeze, and international supervision.)

Following his talks in Spain in May, Shamir directly linked any further changes in the plan to progress in securing an Arab yes to its basic features. He said that "Israel is likely to add new details to its plan, in response to the amount of support the plan receives. It is important to first receive the principle agreement of the Arab states to the essence of the procedure."

The prime minister told the Conference of Presidents of Major American Jewish Organizations last April 11 that "we do not want our soldiers in West Bank towns . . . but we are responding to violence," thus implying a willingness to redeploy in exchange for a lowering of the level of the *intifada*. But the pressure on Shamir from the right only grows worse with each new attempt to get him to display additional flexibility—and his opponents may kill the plan before it has a chance to lift off. In this regard, Shamir is fighting himself, as well as Sharon *et al.* "I cannot countenance giving one millimeter of [our] land to another people," he was recently quoted in *Maariv* as telling his close associates. "I don't believe in 'territorial compromise.' You can talk with me about 'autonomy' and about a 'federation' but not about giving up lands. That has only one meaning: a Palestinian state." □

Israel & Egypt: Ten Years of Peace

1. After the Treaty

Mitchell Bard

WHEN EGYPT signed a peace treaty with Israel on on March 26, 1979, many Israelis, including some in key government positions today, believed Anwar Sadat was not really interested in peace. They suspected that the agreement was just a tactical step in the war against Israel. Peace, according to this school, represented no more than a temporary suspension of the *jihad* until the balance of forces became more favorable.

The treaty has now survived for ten years. Despite Israel's invasion of Lebanon, building of settlements, and continued occupation of the West Bank and Gaza Strip, to say nothing of the *intifada*, Egypt has remained loyal to the agreement. It would seem that sufficient time has passed to lay the skeptics' doubts to rest if it were not for some alarming trends in Egypt.

The tone was set by President Hosni Mubarak last October when he told an Israeli newspaper that Israel "altered the spirit of Camp David" and that "Camp David is no longer relevant." Mubarak's statement was a direct response to Prime Minister Yitzhak Shamir's suggestion that the Palestinian problem could be solved using the Camp David formula which provides for Palestinian autonomy in the occupied territories. Egypt subsequently recognized the Palestinian state declared by the Palestine National Council which, in Israel's view, violated the peace treaty's prohibition against unilateral action. The spirit of Camp David has evaporated in another sense, unrelated to the Palestinians.

Both Israel and Egypt had exaggerated expectations of peace. Israelis thought the treaty would lead to a full normalization of political and social relations. Egyptians, on the other hand, were never interested in relations with Israel. They were primarily concerned with resuscitating their economy. By reducing the nation's defense burdens and obtaining American aid—offered as part of the treaty—Egyptians believed their enormous economic and social problems could be alleviated. The dreams of both nations remain unfulfilled.

From the outset, Egypt resisted involvement in cooperative activities with Israel. Of the nine agreements signed between 1980 and 1982, covering such activities as tourism, trade, and agricultural cooperation, only two reached substantial proportions—trade in oil and tourism. In both cases, the benefits flowed in Egypt's direction.

Egypt has also continued to participate in the Arab war against Israel through complicity with the Arab boycott. Although Egypt agreed to terminate "economic boycotts and discriminatory barriers to the free movement of people and goods" in the peace treaty, the government has imposed a partial and unofficial boycott.

Another form of attack against Israel has been criticism in the Egyptian media. Prior to 1979, Israel was regularly vilified. Afterward, the level of vitriol declined. This began to change in the last year, however, with the accusation that the Mossad was responsible for an attack on a Greek ferry. The terrorists were Palestinians, but *Al Jumhuriyah* (July 16, 1988) said Israel wanted "to punish Greece" for its evenhanded policy and to show that the Arabs were not worthy of support. The Mossad was also blamed for blowing up the Pan Am plane that exploded over Scotland. *Al-Akhbar* (December 30, 1988) said that Israel hoped the explosion

MITCHELL BARD *is a foreign-policy analyst in Washington, specializing in Middle East Affairs.*

Secretary of State James Baker spoke to the annual conference of the American Israel Public Affairs Committee (AIPAC) in late May. In what he and his aides later described as a very "balanced" speech, Baker told the pro-Israel audience that Israel must abandon the "unrealistic vision of a Greater Israel" and understand that the peace process if successful "will in all probability involve territorial withdrawal and the emergence of a new political reality."

Baker also had some advice for the Arab side of the Mideast equation: the Palestinians, he said, must sober up and put an "end to the illusion of control over all of Palestine." Furthermore, Arab states should stop hassling Israel, end their annual campaigns against it in the United Nations, and end the economic boycott to boot. The speech did not go down well with the AIPAC audience and some observers bemoaned the difference in tone between Baker and George Shultz; but Shultz's pro-Israel stand was in the context of an Israeli government in which Peres was prime minister for two years, a government which but for the Likud veto would have agreed to the Peres-Hussein agreement for an international peace conference.

THE Baker speech clearly signaled a new tone in the U.S.-Israel relationship. Writing in the *New York Times* on May 28, former *Times* Israel corrrespondent Thomas Friedman commented that " [Baker's speech to AIPAC] signalled the end of a honeymoon in American-Israel relations that existed for the last four years under the Reagan administration." The *Times* editorialized that "given the history of threats against Israel, the initial burden of proof has to rest on the Palestinians," and Secretary Baker's speech was therefore too evenhanded on the Arab side. At the same time, the *Times* had to agree with the substance of the speech: "But the secretary's judgment is right: neither side can proceed without a sense of the future . . . now Mr. Baker has prefigured that future."

That new tone shouldn't come as so much of a surprise. In April, when several days before Shamir arrived in Washington President Bush met with Egyptian President Hosni Mubarak, he said that the U.S. was committed to Israeli security, to a territorial compromise, and "an end to the occupation." ("Egypt and the United States share the goals of security for Israel, the end of the occupation, and the achievement of Palestinian rights," Bush told reporters on emerging from his talks with Mubarak.)

Bush's use of the phrase "an end of the occupation" introduced a new phrase into the lexicon of American diplomacy, upgrading the appeal of U.S. diplomatese to the Arab (and especially the Palestinian) ear. Backing "territories for peace" was consistent with the Jordanian option long advocated by Labor—and now (ironically) sought by Likud. "Ending the occupation" has a much more distinctly Palestinian ring to it.

Baker's speech might have been aimed at the summit meeting of the Arab League, which was then just getting started in Morocco. It has since emerged that the administration dispatched messages to key Arab leaders, asking them not to adopt resolutions closing the door on Shamir's election plan. The administration told them that it believes that the currrent draft of the plan isn't necessarily the final version.

Not wanting to be outdone by Sharon *et al.*, Shamir and Arens roundly rejected Baker's AIPAC speech. Arens said that "the Zionist movement is a movement of dreamers. I wouldn't suggest to the Americans that they dismiss lightly our dreams." Shamir dismissed Baker's advice as "useless."

The U.S. government rejected Shamir's plea to back the plan exactly as it was presented. Bush and Baker have made no secret that they seek changes in the plan, so as to meet some Arab and Palestinian objections to it in its current form. According to the *Jerusalem Post*, State Department officials reported that Arab leaders were most concerned that Israel intended indefinitely to maintain the interim arrangement, and had no intention of reaching agreement on a permanent solution.

Therefore, the U.S. wants the following specific changes introduced: Israeli agreement that Palestinians in East Jerusalem will be able to vote and stand as candidates; that Jerusalem allow neutral outside observation—supervision of the elections; and a formula detailing how Jerusalem would redeploy Israeli forces out of the cities and camps of the West Bank and Gaza. The U.S. also has pressed Shamir to agree that the elections will be territory-wide rather than municipal-only.

Shamir fears that if East Jerusalem Arabs participate in the vote, the process which the elections will initial—whereby the territories will begin to separate from Israel—will undercut Israeli claims to the unity of Jerusalem and its indivisibility. Rabin—who first promoted this plan (in a slightly different variation) back on January 19, that is, one day before George Bush was inaugurated in Washington—opposes neither the participation of East Jerusalem Arabs or an implied linkage between the interim settlement and a final scenario for peace based on the "land for peace" formula. (Rabin proposed that the East Jerusalemites travel to Hebron or Ramalla to vote, thus including them, but not the eastern half of the city itself, in the election process.)

Rabin, who has emerged as the major player in the current configuration of Israeli political life, believes that without Shamir (and his circle within Likud) no plan can get off the ground; and that therefore the "details" of the plan can be discussed later, following its acceptance in principle by Arab partners.

Following Baker's AIPAC speech, Rabin gently reminded the administration (and political circles in the Beltway) of the worth of U.S.-Israel ties by citing the number and quality of military and strategic ties between the two. Writing in the May 26 edition of *Maariv*, columnist Yosef Harif saw this as Rabin's sophisticated way of blunting the uncomfortable political aspect of Baker's speech and of righting the U.S.-Israel relationship by "reminding" the U.S. of its depth and scope.

Although Rabin's position is the official Israeli one for now—that it does not pay to go into details until there is an Arab partner—there have been hints of more flexibility to come. Shamir has mentioned a possible IDF redeployment out of the cities and camps in the territories, a settlement

would be attributed to the PLO so the U.S.-PLO dialogue could be stopped.

The Egyptian press has also returned to blatantly anti-Semitic themes. For example, "most of the plagues that afflict agriculture and animal health originate from Israeli fodder and fertilizers," according to *Al-Jumhuriyah* (September 13, 1988).

The change in press treatment of Israel has coincided with the restoration of relations with Egypt by most of the Arab League. The Israelis view this development as an indication that the Arab world has accepted Camp David as a *fait accompli*. A more cynical interpretation is that Egypt is moving closer to the intransigence of countries like Iraq.

Egypt has not yet restored relations with Syria, but they appear on the verge of doing so. Indeed, most recently, in a shift of policy, Syria withdrew its opposition to Egypt's participation in the Arab summit conference held in Morocco last month. However, the improvement in Syrian-Egyptian relations should not be misconstrued: Hafez Assad has in no way reconciled himself to the peace treaty. If anything, it is Mubarak's efforts to distance Egypt from Israel that has made rapprochement possible.

EGYPT'S return to the Arab fold would not be of concern if it were not for Egyptian statements that undermine the peace treaty. One of Israel's principal concerns prior to signing the agreement was that Egypt's commitments to Arab states would supersede Camp David. Israelis were reassured when Egypt did not abrogate the treaty after the Israeli invasion of Lebanon and skirmishes with Syria. Usamah al-Baz, first undersecretary of the Foreign Ministry and director of the President's Office for Political Affairs, insists, however, that Egypt is "committed to the joint [Arab] defense pact and that none of our other obligations surpasses this commitment" (Middle East News Service, February 13, 1989). Defense Minister Abd al-Halim Abu-Ghazala was more explicit last summer when he warned that an Israeli attack on Saudi Arabia's Chinese missiles "would be tantamount to striking at and even destroying peace" (*Al-Sharq Al-Awsat*, August 8, 1988). Even more ominous was Abu-Ghazala's suggestion that future military cooperation with Syria could not be ruled out (*Haaretz*, January 29, 1987).

Thanks to U.S. military aid, Egypt has built a military-industrial complex which produces more than 60 percent of the nation's armament needs. Because of the peace treaty, Egypt has also been allowed to purchase some of America's most sophisticated weapons and is planning to produce—as a result of a Memorandum of Understanding signed last year—550 American M-1 tanks in the next five years.

Despite receiving $1.3 billion in military grants from the United States, Egypt continues to look elsewhere for additional assistance. The most alarming report was that Egypt is working with Iraq and Argentina to develop surface-to-surface missiles. The introduction of such weapons would exacerbate the existing problem of missile proliferation and could give the Egyptians the capability to threaten Israel in the future with chemical or nuclear weapons.

Egypt has grown dependent on U.S. goodwill for arms and aid. This remains a strong disincentive to abandon its treaty commitments. Once Egypt returns to the Arab League, however, U.S. aid will be less vital. Should Egypt abrogate the treaty, the Arab world would undoubtedly provide compensation and the Europeans would not hesitate to provide arms comparable to those the U.S. might withhold.

The process which brought about the Egyptian-Israeli peace treaty set a precedent for successful negotiations. Further progress toward Middle East peace requires additional confidence-building measures. Although the prospects seem dim, let us hope that, despite the setbacks, they will be forthcoming. □

2. Encounter in Cairo

Lisa Herman

WE WERE TRAVELLING back to Cairo from Alexandria by bus. It was the special deluxe one with overhead cable TV and hot coffee and sandwich service at your seat. It was also Passover time and my girlfriend, Naomi, had already treated the other passengers to their first "Kosher for Pesach" macaroons. The Egyptians had loved them and she and I were seriously considering starting an import business direct from Israel. Our kids had begun a conversation with the kid in the seat in front of them. Mine, of course, were native English-speakers. Naomi's twelve-year-old, Kfir, was able to manage conversational English and what he didn't understand was translated by my ten-year-old twins, Sarah and Beni. The twelve-year-old Cairene, hanging over the back of his seat, was fluent in Arabic, French, and English. All of us were delighted by what was happening among the kids, as they bad-mouthed their teachers and talked about their favorite transformer toys.

"There's the hope for the future," one old guy said succinctly.

Naomi's kid had squeezed into the seat with my two. She was left alone to stretch out. I was beside a sweet, elderly lady holding a shopping bag from which peeked, in bright tinfoil wrap, what could only have been an Easter egg.

"An Easter egg?" I inquired.

"Yes, yes," he answered. "For my grandchild in Cairo. I bring him one every year."

"You are Christian then?" I ask.

"Oh no. I am a devout Muslim. I just like Easter eggs. We all celebrate Easter now, you know."

"No, I didn't know."

"Oh yes. It's part of the effort to unify the country. It's a national holiday for all of us: Moslems, Copts, and Chris-

LISA HERMAN, *a writer now living in Toronto, was until recently a long-time resident in Israel. Her first novel,* Bourgeois Blues, *was published in Canada by McClelland & Stewart earlier this year.*

tians. Jews too." She beamed. "Welcome to Egypt. We are so glad to see Israelis here. So glad"

This was not a new refrain for me. Egytians had been chanting this since we arrived by bus from Tel Aviv. And of course we'd noticed the signs in the shops welcoming tourists in Hebrew as well as other languages.

"You have your fanatics, we have ours," is what the folks would say. One gentleman who looked like a young Sammy Davis, Jr. tried to hit on Naomi. He was studying Hebrew at the university and talked about Israeli radio personalities as if he were on intimate terms with them. Everyone asked us questions about Israel and chances for a real peace. We, who had planned to keep a low profile as to our origin, were now wearing Hebrew-lettered T-shirts and had stopped shushing the kids when they fought at the top of their lungs in the Holy Tongue.

When we arrived in Cairo it was late Saturday night and we went straight to the Lotus Hotel, which seemed to be number-one choice for Israelis on a budget. In fact, here, all the signs were in Hebrew.

WE WOKE to the muezzin's call and Easter Sunday. I was in the room with my kids and the three of us sat up in bed knowing something was wrong. We got dressed fast and knocked on Naomi's door.

"Something's wrong. Get dressed and meet us downstairs."

She and Kfir met us in the lobby. They also were feeling uneasy. We all left the hotel and walked into the street and knew immediately what was the matter. There was no traffic. Now Cairo without traffic is like Disneyland without the rides. The city is bumper to bumper day and night. And no traffic lights that I ever saw. Plus the sidewalk is crammed with parked cars, all left unlocked so you can move them to get yours out. We rushed back into the hotel.

"What's going on?" we demanded of the concierge.

"Easter Sunday. No traffic allowed. Go out and stroll with the rest of Egypt. Everyone's out there today."

And so they were, dressed in their finest. People walking and picnicking and watching strolling troubadors. Even the money-changers offering "the best black market" rates were on vacation. We decided to walk in the direction of the Cairo Tower and the park. The kids had been screaming to go to the top before we left for Alexandria and we had promised we would do it on our return.

The place was packed. The line for going up the tower wound its way from the elevator to beyond our sight lines.

"Forget it," I said.

"Please, please, please. We won't ask for anything for the next two million years. Please. Please."

I looked at Naomi and she at me. We sighed in mutual desperation at the state of motherhood and gave in. We knew who would be standing in the three-hour line while the givers-of-empty-promises cavorted in the park. We took our places behind the Egyptian families, feeling slightly more apprehension than usual as we realized there didn't seem to be any other tourists in the vicinity. We did shush our kids when they frolicked too loud in Hebrew, especially when we saw a youngish man paying unusual attention. He walked over to Naomi and me.

"How are you?" he asked in halting Hebrew.

"Fine," we answered in English.

"My name is Muhammad," he said as if reciting from a phrase book in Hebrew.

"That's nice," we said in English and began to look around for the children.

"Don't be afraid," continued Muhammad, switching to English. "I did recognize the Hebrew. And you are right to tell the children to talk English here. There may be bad people around. But not me. I am okay."

We decided to trust him and introduced ourselves.

"How do you know Hebrew?" I asked.

"Oh, I was born in Israel," answered Muhammad. "I lived for the first eight years in Jaffa. Then we left. Now I live in Tangiers. I am visiting my cousins in Cairo for a holiday."

So we talked while we stood in line to go up the Cairo Tower and pretty soon the two cousins came over and we introduced ourselves again and the three young men were very pleasant and nice to the kids too. When we finally got to the elevator we were all feeling quite friendly and at the top we took turns with the binoculars gazing out at the city, which by now was basking in the afternoon sun.

"There's a restaurant one floor down. Let's have a beer together," said Muhammad.

The adults seated themselves around a table and the kids decided to play with the binoculars on the tower. It was enclosed by a guard rail so we figured it was okay.

"There's something you should know," said Muhammad after the first beer. "I am an information officer for the PLO. My cousins are also in the organization."

"Oh," we said.

OVER the second and third beers we negotiated a peace settlement for the Middle East. Basically pre-1967 borders with lots of security guarantees. We were just getting down to the somewhat thornier question of Jerusalem and I was about to propose my cherished plan for turning it into a religious Disneyland with "E" tickets for the Via Dolorosa down to "A" tickets for the smaller attractions, when we heard terrible screams coming from the binocular area. The next thing we saw was a dirty-looking Sarah being carried down by a puffing middle-aged businessman.

"She seems to have sprained her ankle. They were running around up there."

Muhammad took charge of the screaming child, taking her from the businessman and embracing her in a big cuddle. The other two kids came shamefacedly behind as we all made our way to the elevator.

"We'll find a cab and take her to get checked at a hospital," said Muhammad.

"We don't have any money," I wailed. "The money changers weren't out today."

"Don't worry about that," said one of the cousins. "We've got that covered."

We walked for blocks, the injured child having calmed down but still heavy in Muhammad's arms. We finally found a cab that rushed us to a hospital. Muhammad did all

the checking-in procedure and then left me and the injured one alone in the examining room. The doctor spoke English, did a thorough examination, and dismissed us with a "Welcome to Egypt. Come again soon."

The evening ended at the Felafela Restaurant near the hotel. Having changed money with the concierge, we treated our friends to a ten-course dinner of stuffed grape leaves and squab and yogurts and fruit and duck and lentils and humus and soup and salads and pigeon and pastries and coffee. We didn't talk any more politics, just taught each other a few songs and cried some when we said goodbye. □

3. 'A Thousand Kisses'

Melvin Fenson

THE TWO FACES of Egypt—vis-à-vis Israel and Israelis, that is—can be said to be projected by Ambassador Hassan Issa, head of the Egyptian negotiating team who, with their Israeli opposites, after prolonged wrangling finally hammered out the resolution of the Taba dispute (in Egypt's favor). At one of the last sessions of the Taba talks, pressed by Israeli journalists for a statement, Ambassador Issa quoted an Israeli song, wishing "A Thousand Kisses" from Cairo to the people of Israel. A week later, in a staged diplomatic gesture, he stomped out of a meeting because of an Israeli criticism of the habitual Egyptian tardiness in showing up at the sessions.

I had first met Ambassador Issa when he served as the Egyptian Consul in Eilat. Accordingly, before I set out for Egypt for a midwinter vacation last December, I wrote to him, saying that I hoped he would see me in Cairo. He replied that he looked forward to proferring the same hospitality that he had extended in Eilat. However, as it happened, I never got to see the Ambassador, though we phoned each other often enough. I was never at the hotel when he called; and when I called back, my Arabic, although sufficient to ask if the Ambassador was in, was not up to comprehending his secretary's rapid-fire reply. Still, the phone messages from "the Ambassador" did enhance my status at the hotel.

Why visit Egypt? Don't direct the question only at me. Also ask the other 50,000 Israelis who annually visit Egypt, our only friendly Arab neighbor. There would seem to be good reasons to reenact the Exodus in reverse, as it were. After all, the history of the Jews in Egypt stretches back to antiquity. There was not only the matter of the ancient enslavement, but, in a happier vein, the later cultural glories of Alexandria, which in the 7th century boasted a Jewish population of 110,000. In the intervening centuries, Jewish fortunes in Egypt waxed and waned. By 1947 the Jews numbered 75,000. After the establishment of the state of Israel and the subsequent hostilities, they became subject to brutal persecutions, arrests, confiscation of property. Almost in its entirety, the Jewish community was pressured to emigrate. Today, in all of Egypt, there remain 200 Jews, 100 of them living in Cairo.

When I arrived in Cairo, the megalopolis's five-star hotels were ablaze with Christmas trees and giant Santas, for the benefit of the European tourist trade, this in a land where Christians are an insignificant and often oppressed minority. The spanking new opera house, a gift of the Japanese, had no productions scheduled for the holiday week. But opera is not why one comes to Cairo. Commerce is the propelling force, and the streets swarm with what New Yorkers used to call *khoppers*, "grabbers," who try to seize your elbow and direct you to the bargains. Whether dressed European-style or like extras in *Lawrence of Arabia*, they crowd the main shopping thoroughfares, offering to help you find leather jackets, "lotus perfume of the Nile," or other tourist specialties like papyrus reproductions of museum originals, statuettes, scarabs, etc.

Not unexpectedly, in the past decade of peace with Israel, coping with half a million Israeli shoppers—and Israeli shoppers are internationally famous, from Marks & Spencer to the Galleries Lafayette to Alexander's, as a particularly energetic breed—has resulted in a widespread knowledge of Hebrew among the Cairene shopkeepers. My English is quite unaccented by Middle East standards, apart from some residual Bronxese, but in reply to a casual inquiry—in English—the owner of a menswear shop into which I had stepped replied—in Hebrew: "*Aizeh midah?*" (What size?) Presumably my Israeli clothing was a giveaway, or perhaps the merchants of Cairo have a sixth sense?

Groppi's, incidentally, the café famous with the British troops for its ice cream and cakes, is still the best centrally-located meeting place for Cairenes, and the most comfortable midday stopover (or pit stop, as they say nowadays) for tourists. Indeed, cafés play a prominent role in Cairo's social life, as one learns from observation, as well as from reading the novels of Naguib Mahfouz, the 1988 Nobel laureate in literature. In a culture that is weak in drama, dance, representation in the plastic arts, the café, with its radio and newspapers, provides, at least for men, an acceptable arena for social activity, an alternative (or a supplement) to the mosque.

COMPARED to my first visit eight years ago, Egyptians seem to be more relaxed in dealing with Israelis. The official guides have stopped quarrelling over who won the '73 war. People in the street who identify you as Israeli no longer rush up to say "*Shalom aleichem.* Are you enjoying Cairo?" The art museum curator, who in 1980 concluded her tour with the summation, "Tell the Israelis we lack nothing here and are all doing fine," now sticks to her prepared lecture notes.

Our guide Faraj was relaxed enough to inform us that Champollion, the archeologist on Napoleon's staff who first deciphered hieroglyphics, was a Jew. He also entertained us, when the tour bus seemed as if it might be scraped on both sides, by chanting the traditional Muslim prayer that is

MELVIN FENSON *is a journalist living in Jerusalem.*

recited five times daily, invoking Allah's help and blessings.

Besides the pyramids, temples, burial chambers, sarcophagi, and gold funereal ornaments—you do get a bit blasé by the second trip over the seemingly infinite abundance of antiquities—the most amazing thing I saw in Egypt was a huge carpet workshop with about 15 benches and looms, "manned" by five "workers" each—children allegedly eight years of age but looking more like four to six, busily weaving Persian-style carpets while overseers stood over them, reading instructions from complex diagrams. The manager of this Middle East version of Oliver Twist's workhouse told us these eight-year-olds were "required" by law to work, but only four hours daily in order to leave time for education. The heightened Israeli social conscience did not prevent any of my compatriots from buying.

On this second visit, too, I became aware of the decreasing public indicia of fundamentalism—fewer women on the streets in the severely modest attire of the true believer, fewer men scattering their prayer rugs at midday in public view for their prayers. What seemed to replace them was a striking increase in the presence of armed forces on public squares and posted at the entrances of government buildings, rifles at the ready with glistening sabers unsheathed. When I approached one of these protectors of the state with an address printed in Arabic, for guidance, he did not respond even to my primitive Arabic question. A passerby said to me in English, contemptuously: "They can't read. Here, I'll help you."

On my flight down, my traveling companions included several Yiddish-speaking Ashkenazi Hasidim, and I never did find out what drew them to Egypt. But there was no mystery about a group of Sephardic faithful who were coming to observe the memorial day, which fell on December 27, of the miracle-working sainted Rabbi Abouhatzeira of Damenhus (30 kilometers east of Alexandria). He was the founder of the clan of the Baba Sali, the miracle-working saint of Neviot in the Negev (and also the forebear of Israel's only cabinet minister ever convicted of a crime, breach of trust).

The indignation of some Israelis over the absence of Egyptian tourism to Israel puzzles me. The masses are too poor to travel anywhere, and the upwardly-mobile bourgeoisie can afford Monte Carlo or other European pleasure spots. I also fail to understand the rumpus kicked up by Israeli negotiators at Taba to ensure that Israeli tourists should have easy access to the Red Sea enclave. Why? Of what benefit is it to Israel? I'd rather scheme to find ways of getting American Jews to visit Israel. □

On T.S. Eliot: When Writing Well Is Not Enough

Norma Rosen

HOW ARE WE to think about them, our literary geniuses and intellectuals who are anti-Semites, casual or rabid, now-and-then, or through and through? The poet W.H. Auden proposed one point of view:

Time . . .
Worships language and forgives
Everyone by whom it lives;
Pardons cowardice, conceits
Lays its honours at their feet.
Time that with this strange excuse
Pardoned Kipling and his views,
And will pardon Paul Claudel,*
Pardons him for writing well.

Apparently time has pardoned T.S. Eliot, too, for writing and publishing directly anti-Semitic lines in his poems, and for calling in his prose for the establishment of a culture from which Jews would effectively be excluded. This year is an Eliot Centennial. Though the *New York Times* reported that some English Jews were balking at contributing sums to a celebration, other English Jews were heading up the fundraising.

In America, the celebration booms ahead *fortissimo*. Eliot's poems have been treated to marathon public readings by prominent literary figures in every available public space from university halls to rentable theaters. Prompted by the publication of Volume Two of Eliot's biography by Lyndall Gordon, *Eliot's New Life*,** and the first volume of Eliot's letters,*** retrospective appreciations of the Eliot *oeuvre* have appeared in major journals, most without reference to the offending lines in the poems or the slanders, direct and implied, in his prose works. Taken altogether they are not many but they are prime.

"Burbank with a Baedeker: Bleistein with a Cigar" opens with reference to antique grandeurs, "the God Hercules,"

NORMA ROSEN *is the author of several works of fiction. Her latest novel,* John and Anzia: An American Romance, *based on the relationship between the American philosopher John Dewey and the immigrant writer Anzia Yezierska, will be published later this year by E.P. Dutton.*

*Claudel's plays were performed by the Nazis in Vichy Fance.
**Farrar, Straus & Giroux. 356 pp. $29.95.
****The Letters of T.S. Eliot*. Edited by Valerie Eliot. Volume 1, 1898-1922. Harcourt Brace Jovanovich. 639 pp. $29.95.

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1=Jordan
1= Egypt

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Office of the President

March, 1991

BOB LIFTON OCCASIONAL LETTER #22

Dear Friend:

Operation Desert Storm has ended in great victory and the far more difficult process of trying to stitch together a "new world order" has begun. I'd like to share with you in this letter some thoughts about both of these developments.

Let me apologize at the outset for the length of this letter. William Safire has suggested to me that my occasional letters should be shorter and more frequent. He's right, but events (and postage costs) don't always permit that. Instead, Bill, I've tried to be comprehensive enough so my readers won't have to take the time to read other essayists on the subject.

Predictions Regarding the Gulf War and Its Aftermath

I am not going to rehash here all of the overwhelming material each of us has been inundated with in television, press and news magazines. You may find it interesting that of all the pundits I know, only one person was entirely correct on two basic calls; that there would be a war in the Gulf and that the coalition forces would overwhelm the Iraqis in very short order. That person is Prince Bandar Ibn Sultan, Saudi Arabia's Ambassador to Washington. The Ambassador is an attractive, highly intelligent, very effective salesman for his points of view both in the U.S. Administration and Congress as well as with non-government influentials. In an article in The New Yorker (February 18, 1991) entitled "The Diplomatic Round," John Newhouse says "Bandar's voice carries farther than most, not because he is King Fahd's nephew, but because he has more influence over the King than anyone else in the royal family, including Prince Sultan, the Defense Minister who is Fahd's brother and Bandar's father."

Henry Siegman and I have had two lengthy meetings with Prince Bandar at his home, one with three other members of the AJCongress family. In the first meeting on January 6th, at a time when many observers thought Saddam Hussein would back off in the face of the threat from the U.S.-led coalition, Bandar predicted otherwise. He convincingly argued that out of a

combination of arrogance and ignorance of the ways of a democracy like ours, Saddam would misread the debate in our country and ignore the President's ultimatum to end his occupation of Kuwait. More impressively, when all but a very few were warning of a long drawn-out conflict with many casualties, Bandar asserted that the Coalition forces arrayed against the Iraqi army were so overwhelming that the conflict would end in a matter of weeks.

I offer this much detail for two reasons. First, because Bandar's views colored my own thinking. If I was able to offer some correct insights in my last Occasional Letter and in my presentation before the AJCongress Governing Council which helped develop the backing for our resolution supporting the President's decision to use force, Bandar deserves part of the credit. Second, and far more important, Bandar described at length his vision of the Middle East after the war, and particularly the role of the Saudis in bringing about peace, which held out great expectations for the future. What he said was so significant, that I immediately left for Israel to share our conversation with Israeli leaders. Now that Secretary of State Baker has completed his first round of meetings with key leaders in the area, we can see the direction those discussions are taking and the positions being staked out. My own conclusion is that the prospects for resolution of conflict in the region will depend in large measure on whether Bandar was equally correct in his predictions on these matters. Let me address first the simpler question of closure of the war with Iraq and then the larger issues of Mr. Bush's proposed "new world order" as it applies to the Middle East.

Ending the War with Iraq

The military victory against Iraq is completed and I need not detail what has been accomplished regarding Iraq's military machine and its infrastructure for developing non-conventional weaponry in the future. Still, Saddam Hussein remains in power and it is too soon to tell whether he retains sufficient forces to put down any revolt. One reason that he has survived, of course, is that the Coalition forces did not have a U.N. mandate to occupy Iraq and destroy him. Besides, the Bush Administration finds itself in a dilemma. On the one hand, it wants to see Saddam ousted. However, it does not want Iraq turned into another Lebanon with different states in the area tearing it to pieces or otherwise so destabilized as to leave a "power vacuum" in the region. Moreover, any replacement of Saddam would likely come out of the army where there is no alternative leadership known to the U.S., that holds out the prospect of being more tractable than Saddam. For these reasons, apparently the Administration has decided not to get involved in supporting Shiite or Kurdish efforts to unseat Saddam. Unfortunately, until Saddam is ousted, many in the Palestinian world may continue to believe as stated in Leaflet 68 issued by the PLO that "the Iraqi army and its brave resistance forced the leaders of the

opposition-coalition at whose forefront was the criminal Bush, to declare cessation of combat against Iraq and begin consultations with it."

Iraq still has not returned any of the enormous amount of bullion, currency, automobiles and other equipment it pillaged from Kuwait. And although the Revolutionary Council has invalidated all laws concerning Kuwait, Iraq's National Assembly has not specifically rescinded the law it passed formally annexing Kuwait and officially published that decision. The Coalition troops continue to occupy part of Southern Iraq and apparently plan to remain until these and other conditions are met. The U.N. economic sanctions also will remain in effect and as U.S. Ambassador to the U.N. Thomas Pickering pointed out to an AJCongress group recently, the sanctions will have more cogency for the future than in the past. Given Iraq's present deplorable economic state, they provide for more leverage and potential for a squeeze.

A prolonged stalemate in a resolution of the Iraq conflict may divert attention away from U.S. efforts to craft a new program for the Middle East. And the sense of frustration arising out of the inability to finish off even the Iraqi agenda may reduce the drive on the part of the Bush Administration to rationalize the far more complex issues of the Israel-Arab-Palestinian relationships. Finally, continued uncertainty is not conducive to the states in the area departing from their natural tendencies to adhere to what they perceive to be the safer courses pursued in the past.

Towards a "New World Order": Opportunity Knocks But Who Will Answer

The one point everyone on all sides seem to agree with is that the end of the Gulf War offers an unusual window of opportunity for a peaceful resolution of the Arab-Israeli-Palestinian conflicts.

The United States has emerged as the single superpower in the world and the Bush Administration, riding the crest of a wave of enormous domestic popularity and world-wide acclaim, is trying to take advantage of these opportunities to create a new situation in the Middle East. Mr. Baker's initial effort was to meet the parties and discuss ideas and possible initiatives with no attempt to pressure anybody. In making his rounds, Mr. Baker saw the opportunities on the one side and the obstacles on the other regarding what Mr. Baker called "the most intractable problem I think there is." Let's review each of these, recognizing that in some cases the difficulty is the counterpart of the opportunity.

Saudi Cooperation

For the Arab states, the Gulf War represented, to use Prince Bandar's phrases, "a defining moment," a "liberating" end to the myth of pan-Arab unity that the Arab states could rely on each other for help in time of war. In its place, the Saudis, Egyptians and other Arab states in the region, now appreciate the importance of strong ties to the United States. It is assuredly the most powerful nation in the world which demonstrated a willingness to fight to defend its interests in the area. At the end of the war, Prince Bandar told us, the Saudis would work closely with the United States and the other moderate Arab states to achieve a resolution of the Arab-Israeli conflict. In reply to our specific question, he went so far as to say that the Saudis would be prepared to hold out the prospect of entering into full diplomatic relations with Israel upon resolution of the Palestinian question.

Bandar told us that Saudi financial resources and Egyptian military strength can change the region. The split in the Arab world has created a new Arab axis of Saudi Arabia, Egypt and Syria: the Saudis the wealthiest, the Egyptians the largest and the Syrians the most nationalistic. Since Egypt is already at peace with Israel and Syria has enormously tough issues to negotiate with Israel, in my view, the Saudis who owe so much to the U.S. are the lynch pin of any change in Arab relations with Israel. Without their cooperation, there will be little progress.

As much as I want to believe in Bandar's formulation of the future, however, the history of the Saudis does not engender confidence in their ability to change their patterns of conduct, no less take the lead in a new relationship with Israel. The Saudi society as described in the article in the Sunday New York Times Magazine (March 10, 1991) by Judith Miller, "Saudi Arabia: The Struggle Within" is "devout, puritanical and deeply conservative." Whether the cataclysmic event of the Gulf War will result in social or political change or whether religious pressures will preclude any deviation from anti-Israel political correctness remains to be seen.

Both the Saudis and Egyptians also must face the fact that large numbers of poor, disenfranchised Arabs saw Saddam Hussein as a savior and will be bitterly disappointed when they realize that their lives will not change. The Saudis can see this as a reason not to take any affirmative steps regarding peace with Israel, to close their society even more and revert back to their hidebound positions. Or, alternatively they can recognize that without a resolution of the Palestinian issue, the homeless Palestinians will represent a destabilizing element in the life of the Arab

"have" nations and a threat to their own security and comfort. Perhaps that threat coupled with U.S. pressure can move them to help solve the problems. From everything I've heard, it will not be easy.

The Palestinians: The PLO in Retreat

"Those who supported Saddam Hussein will go down with Saddam Hussein" asserted Bandar, stating that Yasir Arafat would be finished and if the PLO were not reconstituted in some extreme way, so would the PLO. The fury of the Saudis and Kuwaitis over PLO support of Saddam is now being reflected in their discontinuing over $100 million of contributions vital to the PLO's ability to function. If the PLO is marginalized, the Palestinians will need to develop a new leadership, which might be indigenous to the territories and more flexible in dealing with Israel. Since Israel and the U.S. and even the European Community see the PLO as presently constituted an inappropriate partner to any negotiation, such a development holds out opportunity.

On the other hand, it will be difficult to find an alternative leadership able to speak for the Palestinians with sufficient authority so that its agreement will be binding. Mr. Baker "shocked" the Palestinian leaders from the territories he met with by telling them that foreign ministers of eight Arab countries who had sided with the U.S. against Iraq expressed unwillingness to sit down at the same table with Arafat. Nevertheless, the Palestinians still offered their "ritualistic" allegiance to the PLO. For his part, Mr. Shamir stated that even the Palestinians who met with Mr. Baker, including Faisal Husseini and Elias Freij, long-time Mayor of Bethlehem, are not acceptable to Israel because they represent the PLO. He said it would be the responsibility of the Arab states to find a new leadership in the territories to replace the old "generation" led by Husseini.

For the moment, the only program the Israeli government has on the table to find Palestinians to deal with is the May 1989 peace initiative developed by Messrs. Shamir and Rabin during the last unity government. That plan, of course, foundered on the refusal of the right wing of Likud to permit representation from Jerusalem and from outside the territories. Some Israelis agree with Transport Minister Moshe Katzav who suggested to me that the Palestinian representatives should be elected by municipal elections. However, once the Israelis agree to negotiate with all representatives so elected they may find that they must deal with avowed PLO supporters. What is worse, the replacement for the PLO may not be a local moderate, but Hamas leadership. Hamas, an Islamic fundamentalist group, has been gaining power in the territories as the PLO has weakened and the Palestinians have grown more despairing about their future. Hamas is far more

extreme in its aim to destroy the Israeli state than even the PLO.

Elections also have the disadvantage from our government's point of view of putting off for a long period of time the start of concrete discussions. In the interim, the existing momentum can dissipate. The current American thinking is to bypass elections but still develop an indigenous Palestinian leadership willing to enter into negotiations with Israel. As I will discuss in more detail later, that poses considerable difficulties of its own.

A Less Competitive USSR

The economic and political problems plaguing the USSR have significant implications for the region. The USSR is no longer perceived as a serious competitor with the U.S. for leverage in the area, ending the opportunity for an Arab country to play off one against the other. Indeed, despite the Soviets' embarrassing efforts to find a place in the negotiations with Saddam, they have supported the U.S. in all of the U.N. resolutions. Obviously, for the time being, they decided that their need for continued U.S. and world economic help overrides any loss of prestige in the region. All of these perceptions, however, assume that Mr. Gorbachev not only will survive but will remain moderate and cooperative. Pressure from Soviet hard liners is changing the internal situation and could compel a less accommodating policy in the Middle East, as well.

Syria: In Need of a New Patron

The change in the Soviets' situation has important implications for Syria's actions. For years, Syria has been dependent on Soviet economic and military aid. Cut adrift from the Soviets, Hafez al Assad has to rethink his position and reformulate his alliances. He chose to join the Arab coalition against Saddam for his own gains; Saddam was a natural competitor for power in the region. But now he desperately needs Saudi money to avoid economic collapse. All of these developments could make Assad more tractable. The reports after Secretary Baker's meetings suggest a more constructive attitude on Assad's part towards a peaceful settlement in the region. However, there was no specific back-up made public for that conclusion.

The accepted wisdom that I've heard from knowledgeable Egyptians as well as from Bandar is that once Assad makes a deal he sticks with it, but that it is extremely difficult to get him to make a deal. He is very smart and tricky and always seeking political advantage. Over a year ago, some in the Israeli foreign affairs establishment were enamored of the idea that an approach with Syria would have the greatest prospects of accomplishment. One element in this thinking was that the Golan Heights did not have

theological or ideological implications for Israelis. Since only security issues were involved, it was thought they may be more easy to resolve. That may be an unrealistic assumption. The Israelis' distrust of Assad is so great that an overwhelming number of Israelis from the left as well as the right say in the polls that they are unwilling to relinquish the Golan.

It cannot help develop Israeli confidence that even as Assad was meeting with Mr. Baker, according to Israeli intelligence, shipments of advanced Scud-C surface-to-surface missiles with larger warheads and greater reach had just docked in Syria coming from North Korea. Presumably, the funding came out of the very first Saudi economic aid to Syria.

Egyptian Leadership

Egypt has been at peace with Israel for over 10 years but many Israelis are disappointed that the peace has not brought with it full normalized relationships. In meetings I had with President Mubarak in the past, he noted with some pride that despite the fact that there is an Israeli flag flying in Cairo the Arab League finally invited him back into the fold. Now that he has emerged from the Gulf War with glory and is an even more important player, perhaps he will be able to lead the Arab world to follow his path. His economic dependence on the U.S. certainly gives the Administration additional leverage. Moreover, it cannot go unnoticed in Egypt that the American Jewish community through AIPAC helped in the passage of legislation cancelling the $6.7 billion of Egyptian debt to the U.S.

In a meeting with Osama El-Baz, President Mubarak's political advisor on the Middle East, Mr. El-Baz emphasized the Egyptian position that the U.S. must use the present opportunity to take bold steps in addressing the region's issues and pressing rapidly for a permanent solution to the Palestinian problem. Regional stability will never be achieved without such a solution, he argued.

Iran: A Passive Factor

Without a strong Iraq to offset it, Iran is a potential power in the Middle East. Although Iran is offering increasing support to the Shiite Muslims in Iraq in their effort to overthrow Saddam Hussein, it does not appear for the moment that it will play a direct militant role to that end. With its economy in a shambles, and a great need for outside investment, its present course likely will be to try to create stability and credibility and seek a more central role in security and economic arrangements in the area. That can best be accomplished by cooperation with the Arab Gulf states. While there have been verbal assaults on Israel and one can conceive of the possibility

of an alliance with Syria that threatens Israel, the reality is that Iran is a long distance from Israel and appears to have a different, more compelling agenda.

Jordan: Searching for a Role

Jordan's role in any new order in the region is still in doubt. King Hussein's support for Saddam Hussein has angered the Coalition members, but none more than the Saudis who provided major financial resources for Jordan over the years. Bandar and other Saudis have openly expressed their fury at the King and refuse to provide further financial support. President Bush now seems prepared to rehabilitate the King, but the U.S. Congress has been less forgiving, refusing to approve some $55 million in aid to Jordan recommended by the Administration unless the President certifies to Congress that Jordan is taking positive steps to bring peace to the Middle East.

With a weakened Iraq, which can no longer join with Jordan to attack Israel, there is a view among the right wing in Israel that the time has finally come for King Hussein to leave. In their scenario, Jordan, with a population that is 2/3 Palestinian, will become the Palestinian State and the Palestinians who continue to live in the territories will express their self determination by voting and being treated as citizens of Jordan. Under that scenario, Israel ultimately will annex the territories and the two states, one Israeli, the other Palestinian would live side by side, having the Jordan River as their common border. Of course, that solution rests on the King abdicating or being forced out, and one must remember that he has lasted on the throne for 38 years and is successful as a survivor. Moreover, there is no indication that the Palestinians or any nation including the U.S. have accepted that solution. And finally, it poses the risk that control of Jordan will devolve upon fundamentalists who will permit large scale terrorism against Israel. Others, like Shimon Peres, also see Jordan as the focal point of any solution. But Mr. Peres envisions "an important portion of the West Bank and Gaza" being relinquished by Israel and forming a confederation with Jordan, "a state with a Palestinian majority" as the way to solve the conflict with the Palestinians.

Israel: Is There a Willingness to Take Risks for Peace?

Israel has seen the U.S. go into battle to protect its interests in the Middle East, carry out sorties to destroy Scud launchers, provide Patriots to protect Israel and most important destroy the military capability of Iraq, a major threat to Israel's security. That should give Israel more confidence in U.S. credibility as a partner in peace, willing to stand by its commitments to its friend and the only democracy in the region. A high level of confidence, it can be argued, may help the Israeli government be

willing to take some risks for peace and, politically, be able to convince its constituency to do so.

On the other hand, the Scud attacks on Israel, which was not even a combatant in the conflict, were a shock. Some fifty years after the Holocaust, in which millions of Jews found death in gas chambers, Jews were sitting in sealed rooms with masks on fearing gas attacks. This was an incalculable trauma for Israeli society. One more time, to use Tom Friedman's phrase "The Holocaust has merged with [Israel's] immediate predicament." [1]

The mere fact that Israel had to restrain itself from acting against Iraqi missile attacks, however courageous that may appear to the outside world, further emphasized in Israel the image of the Jewish "victim" needing someone else's strength to save it. Nowadays, Israelis speaking to American audiences, as Health Minister Ehud Olmert did at the AIPAC Policy Conference, emphasize that Israel could have done far more to destroy the missile sites than the Coalition did if she had not followed the policy of restraint as a "favor" to the U.S. They note that the point must be made so that the Arab states do not believe that Israel can be attacked without retaliation. But I think they believe it important to be said for the benefit of the Israeli psyche, as well.

The Israeli leadership has every right to point out that Iraq's attack on Kuwait and the Scud attacks on Israel prove what a dangerous neighborhood Israel is located in, surrounded by Arab enemies. In stating that "geography does not provide security," in his address to the Congress, President Bush implied that the missile attacks demonstrate that the West Bank and Gaza do not provide protection in the new way of making war. The Israeli leaders respond, however, that if missiles had been launched from the territories there would not have been enough time for the Patriots to destroy them. They also point out how close enemy tanks would be to Israel. Of course, that ignores the fact that any arrangement regarding the territories would require full demilitarization, early warning systems and effective supervision by Israel to prevent a foreign power from entering the territories. Nevertheless, the entire experience has fed into the argument of those on Israel's right who say you can never give up an inch of the territories.

All of these experiences have made it more difficult for any Israeli leader to argue for flexibility on Israel's part. It is true that Health Minister Ehud Olmert, a confidant of Mr. Shamir, told an AIPAC audience that Israel was "ready to negotiate all

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[1] Friedman, Thomas, From Beirut to Jerusalem, p. 279, Farrar, Straus & Giroux, 1989. Mr. Friedman's description of the "Holocausting" of the Israeli psyche offers valuable insights.

issues including territorial demands of the Syrians." And perhaps that was intended by Mr. Shamir as a signal of a willingness to deal. But after Olmert was attacked from the Likud right, Mr. Shamir promptly shot him down, saying that the Golan "is not a subject for territorial negotiation."

Mr. Shamir has moved his cabinet even more towards a hard line with the addition of Rehavam Ze'evi whose party, Moledet, has only one platform - transfer of the Palestinians out of the territories. AJCongress decried this move as giving credibility to the worst element on the Israeli political scene. Even members of Mr. Shamir's inner cabinet had difficulty stomaching the addition. Benjamin Begin, one of the heirs of the Likud Party leadership, went so far as to break party discipline in an heroic vote of conscience against the action, which he termed an act of "political pollution." By legitimizing the extremists which until now had been on the fringe, Mr. Shamir has succeeded in portraying his position as centrist.

Knesset Speaker, Dov Shilansky, of Likud has dramatized his rejection of territorial compromise by visiting the West Bank and the Golan despite the custom against the Speaker going public on controversial issues. Housing Minister Ariel Sharon has announced a plan to build 13,000 new housing units in the West Bank for "security" and "political" reasons. And more exposure has also been gained by Tehiya party leaders Geula Cohen and Yuval Ne'eman who, like Mr. Sharon, call for unilateral annexation of the territories by Israel.

There are some few voices of greater moderation, even in the Likud party and its coalition members. Tel Aviv Mayor Chich Lahat is one of them. Foreign Minister David Levy has made an effort in his meetings with European leaders to sound a moderate note. After a meeting with Foreign Secretary Douglas Hurd, Mr. Levy stressed that "Israel will enter into a peace process without prior conditions. This means that you cannot decide from the beginning what the outcome will be." Interior Minister Arye Deri, who heads the Shas party, indicated on Israeli television that he supported his fellow Moroccan, Foreign Minister David Levy, in the latter's efforts at exploring options and meeting with Arabs and Palestinians to find a solution. He referred to the halachic imperative of "Pikuach Nefesh" - "saving a life" - which takes precedence over everything else, saying that the possibility of a peace process is too crucial to be ignored. And Labor member Uzi Baram has said that while his party was split over tactics, it supports "a large concession" of territory in return for peace and security. Significantly, Lt. General Dan Shomron, who will soon retire from his position as Chief of General Staff of the IDF, suggested last week that under proper circumstances of demilitarization, arms limitations and supervision "a political agreement when it exists is more than territory."

When all is said and done, however, as long as Mr. Shamir is Prime Minister he will be the one to make the decision, just as he alone made the decision not to respond to the Scud attacks. The fact is that Mr. Shamir's history and that of his party stands for the principle that the territories - Judea and Samaria - are central to Israel's nationalism and must be retained to make a "whole" or "greater" Israel. One must conclude from all the evidence that given his belief system it will be very difficult, if not impossible, to move Mr. Shamir to agree to any deal which requires Israel to relinquish the territories. That is a fact of life which anyone trying to establish a process for peace negotiations in the region must take into account.

U.S. Strategies: Gradualism on Two Tracks

The premise of Mr. Baker's approach on his recent visit to the region is that it is essential to take advantage of the present momentum to start some process, even if its ultimate outcome is not presently determinable. The process would take place in the context of a two-track approach which borrows from Mr. Shamir's 1989 peace initiative. The first track focuses on a resolution of the issues between Israel and the Arab countries, and the second track focuses on Israeli-Palestinian issues. The plan is to make parallel progress on both tracks. Thus, the process would begin with small incremental confidence-building measures both between the Arab states and Israel and between Israel and the Palestinians building up to the point where the taboos are broken against Arabs talking to Israel and the Israelis to the Palestinians. Then a conference will be convened to open direct talks, as discussed below. The process would start with acts having low visibility and low political cost and build up to more visible action with greater symbolism. The attempt will be made to calibrate these steps so that both sides are at the same level of visibility and political cost and no side is asymmetrical. Examples of the kind of arrangements between the Arabs and Israel are tripartite prisoner exchanges between Lebanon, Syria and Israel, prior notification of military maneuvers, which helped in the Soviet-U.S. relationships, and an end of the Arab boycott. So too, is the possibility of cooperation in dealing with the growing problem of water. For example, Turkey has proposed a summit of states that could use water from Turkey, including certain Arab states and Israel, to discuss building a pipeline.

As between Israel and the Palestinians, Mr. Baker has suggested that both sides take action to relieve pressure in the territories, such as opening by Israel of West Bank schools, reduction of violence by the Palestinians and of deportation and detention by the Israelis.

While one can only applaud the Secretary's effort, it is too easy to see where it can run into trouble. And, here, let me say that

I am also reflecting comments from a leading moderate Arab government official. For example, in order for the Arab states to participate, they must be able to point out to their constituencies that progress is also being made on the Israeli-Palestinian track. But of course that requires that the Palestinians participate in the process. To avoid lengthy delays over elections, the current thinking is to convince designated Palestinians in the territories to participate, as a last chance to help themselves, most likely under the umbrella of some Arab country.

My Arab source suggests that the only Arab state that realistically can join with the Palestinians is Jordan. He says that it will be very difficult for Palestinians and for Jordan to enter the process in the face of existing definitive statements by Israeli leaders that there is no prospect of any kind of territorial compromise. At the least, he says, Mr. Shamir must now undo the impact of those remarks by an assertion that he will meet without any preconditions and therefore does not rule out relinquishing territory under U.N. Resolutions 242 and 338. So far Mr. Baker has been unable to extract such a statement from Mr. Shamir.

Even if the Palestinians do find the courage to start a process and if Israel does take action improving conditions in the territories, will that be the basis for parallel action by the Arabs? My Arab source claims that the only basis for counter progress from the Arabs, and particularly from the Saudis, would be territorial accommodation under 242 and 338. If that is correct, the process will never get off the ground. But even if it does, the calibration and weighing of one concession against another threatens to stop the process time and again as each party overstates its own cost and understates the other's. Can Mr. Baker play Solomon successfully enough to keep the process going?

The Choice of Forum

If there is to be any chance for progress on the substantive issues, it is important that the discussion not bog down on the question of the forum in which the face-to-face negotiations should take place. To its credit and wisdom, the US has recognized that an international conference is a non-starter with Israel and Mr. Baker now appears to be moving towards a regional conference convened under the auspices of the U.S. and the Soviets. After an opening ceremony, the meetings would break off into separate tables, Israel-Arab and Israel-Palestinian to begin the negotiating process. A regional conference has the advantage of excluding countries not in the region, which the Israelis have correctly argued have no interest in the discussions and can only complicate matters. It also has the advantage of offering what Mr. Shamir has insisted upon all along, namely direct

negotiations between Israel and each Arab state. Foreign Minister Douglas Hurd of Great Britain, Premier Michel Rochard of France and the EEC now have joined the U.S. in calling for direct talks. And recently the Syrian Foreign Minister Farouk a-Sharaa indicated a willingness to meet in an international conference chaired only by the U.S. and USSR. If permitting the Soviets to participate in a regional conference brings with it full USSR diplomatic relations with Israel and a continuation of unrestricted aliyah by Soviet Jews, that may be a valuable trade-off.

The President's Commitment

Calling for a confidence-building process involves no political risks for the Bush Administration because there is no public drama and no great expectations are disappointed if nothing develops. But if the present approach breaks down, how far will the Administration go to push for results?

The President's speech to the Congress, which gave him nine standing ovations, outlined the principles of his approach to ending the Arab-Israeli conflict. Included in the speech was a call on Israel to recognize that a comprehensive peace required it to accept "the principle of territory for peace." The President added that the land for peace "principles must be elaborated to provide for Israeli security and recognition and at the same time for legitimate Palestinian rights. Anything else would fail the twin tests of fairness and security."

The President and Mr. Baker have iterated time and again that the U.S. cannot and will not attempt to impose a peace settlement on the parties. It must be reached through negotiations. However, it is clear that the President who is enjoying over 80% approval in the public opinion polls is putting a large part of the prestige of his office behind this effort. Indeed, it is fair to say that Mr. Bush is absorbed with trying to remake the Middle East political order and sees it as one of the pivotal roles of his Administration, even to the extent of slighting internal Republican political issues and his domestic agenda.

I don't believe that the President is going to let go of his dream of historical immortality easily. He has announced that he will make a visit to the region in mid Spring to meet with leaders of the Arab members of the Coalition. That is a significant investment of effort on his part. He must press these states to reformulate their relationship with Israel, using all the leverage he has. Unless there is a major move on the Arab side, the equivalent of Sadat's visit to Israel, which creates an environment in which the Israeli people themselves insist on change, there can be no breakthrough. For this reason, AJCongress has called on the Arab members of the Coalition to state unequivocally that they recognize Israel's legitimacy and

permanence, to end the trade boycott and to hold out the promise of full diplomatic and commercial relationships upon a resolution of the Palestinian issue. (I am enclosing a copy of our Open Letter to the Arab Leadership in a New York Times ad last week.) If the President can prod the Arab states into such action, he will be in a position to turn to Israel regarding the territories. At present, Israeli polls show a 49-49 split among Israelis on territorial compromise. A dramatic move by the Arabs might help to shift those numbers sharply. Perhaps enough Israelis will change their positions to overcome the opposition from Israeli nationalists, theological idealogues and those who feel that there can never be security for Israel unless it retains the territories.

On the other hand, if there is no progress in getting the Arab states to make the first move, I doubt that there will be any way to move Israel, whatever the pressure. Nor do I believe that Mr. Bush will use his political capital to take on what would become a bruising fight if he doesn't have the kind of gesture from the Arab states that will activate the Israeli people.

A Retreat to the Status Quo Ante

As you can see from the foregoing description of the current events and movements, there have been four developments of enormous consequence favorable to Israel and the positions its government has taken. First, is the elmination of the threat of Iraq as a focal point for an Arab attack on Israel. Second is the marginalization of the PLO. Third is the acceptance of Mr. Shamir's basic proposition that the relationship between Israel and the Arab states is at the core of the problems in the region. And fourth, that only direct talks in a setting of a regional conference can be effective in settling these issues.

Sadly, if these opportunities are not taken advantage of, it is hard to see any hope for future change.

The alternative to no change does not mean that Israel faces continuous war with the Arab states. As I indicated, for the foreseeable future there are no states in the region financially able to engage in a war and the U.S. support for Israel assures its security for some time to come. But even absent the threat of war, resumption of the status quo that existed before the Gulf conflict does not create an environment in which Israel can flourish. Israel faces enormous financial obstacles in its magnificent effort to provide a haven for as many as a million Soviet Jews who will need housing and jobs. It cannot carry out the absorption successfully, let alone be able to keep up in a new arms race in the area, without a total change in its economic circumstances. This requires broad changes within Israel in its industrial and economic policy. But it also requires Israel to find a significant economic role for itself in the Middle East

and in the community of nations. To accomplish this it needs enormous support and good will from the U.S. and from the European Community.

Over a period of time the effort to control close to 2 million Palestinians can erode international and even U.S. support. The Palestinians are suffering increasing economic privation as their ability to earn a livelihood by working in Israel is diminished both because of Israeli response to their violence and their replacement by Soviet Olim. These added pressures will engender cycles of more violence, ever harsher measures of repression and greater world disapproval. Inexorably, the good will created for Israel by the restraint it showed in the Gulf War will dissipate. If it is unable to attract enormous outside capital or enterprise, Israel will find itself slowly following the economic path of a third world country. Perhaps it will even lose its ability to attract Soviet Jews.

Random violence is escalating. We read more and more of brutal murders of Israelis by Palestinian terrorists and deportations, interments, charges of ill treatment and torture of Palestinian detainees. A pattern of killings and maimings of Jews and Palestinians will take a great toll on the quality of life in Israel and undermine the humanistic premise of Israel's founding. It can strengthen the hands of those who advocate transfer of the Palestinians to the point where that may become an acceptable solution. This is not the prospect Israelis and diaspora Jews want for the nation that was to be a "light among nations."

Let us pray that the God that favored us in the Gulf War will favor us in finding a lasting peace in the region.

Happy Passover.

Sincerely,

Robert K. Lifton

RKL:ilb
Enclosure

AJCongress

THE NEW YORK TIMES, WEDNESDAY, MARCH 13, 1991

انتهزوا الفرصة

'Seize The Moment'

An Open Letter to the Arab Members of the Coalition

Your Excellencies:

The decisive defeat of Saddam Hussein's brutal aggression against Kuwait, in which your own countries played so important a role, has created in the hearts and minds of people all over the world a new optimism -- a sense of new possibilities -- for decency, for justice, for peace.

It is a moment in history, perhaps not to be repeated, that opens an unprecedented opportunity for settlement of the Arab-Israel conflict as well.

We urge you to seize the moment.

If you are serious in your proclaimed solidarity with the Palestinian people, and wish to see their situation finally resolved, now is the time to shed your hostility to the State of Israel and the people of Israel.

Say to them, without equivocation, that you accept Israel's legitimacy and permanence as your neighbor in the region. End the trade boycott and other activities intended to damage and delegitimize the State of Israel. And hold out the promise of full and formal normalization of relations once the Palestinian issue is resolved.

Israel's existence is a fact independent of anyone's "recognition." But the promise of normalization of relations with its Arab neighbors will remove the major obstacle to Israel's ability to deal with Palestinian aspirations in a forthcoming manner.

Saddam Hussein's aggression underscored the validity of Prime Minister Shamir's insistence that progress in resolving the Palestinian problem must be contingent on Israel's acceptance by the Arab world. The United States and the international community have no right to urge -- much less to pressure -- the people of Israel to take risks in resolving their conflict with the Palestinians if Arab countries refuse to risk even acknowledging Israel's legitimacy.

On the morrow of your declaration recognizing Israel as a permanent feature on the map of the Middle East, the people of Israel themselves will want to deal expeditiously with Palestinian aspirations in a fair and just manner. In those circumstances, no Israeli leader will ignore that consensus.

Unfortunately, your initial response to Secretary of State Baker's request that you turn a new leaf in your relations with Israel did not speak to a new future, but resonated a sterile past.

You have an historic opportunity to go beyond the discredited belligerence that prevailed before the war, to transcend the hatred and violence that have for so long marred the lives of the people in your region.

Not to take advantage of this historic opportunity would constitute an unforgivable betrayal of the triumph for international peace and decency for which the United States and other members of the coalition sacrificed so dearly.

Your own people -- people everywhere -- deserve better.

We urge you, seize the moment!

American Jewish Congress
15 East 84th Street
New York, NY 10028
212-879-4500

Robert K. Lifton
President

Louis Perlmutter
Chair, Board of Trustees

Henry Siegman
Executive Director

If you agree with the sentiments expressed in this statement, you are invited to make a tax-deductible contribution to help us bring this message to the Arab world.

AJ Congress

American Jewish Congress
Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
212 879 4500 • Fax 212 249 3672

Office of the Executive Director

1= clinton
1= E
√ 1= Egypt
1= Israel
1= Soviet Jewry

March 1, 1990

His Excellency Abdel Raouf El-Reedy
Embassy Of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20008

Dear Raouf:

I send you the enclosed report from the Jewish Telegraphic Agency because it contains the clearest statement yet made by Prime Minister Shamir about the question of settling Soviet Jews in the West Bank.

Warm personal regards.

Sincerely,

Henry Siegman

HS:ilb
Enclosure

CIA Egypt

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DEPARTMENT OF FIELD OPERATIONS

TELECOPY COVER SHEET

TO: Bernard Schwartz

FROM: Henry Siegman

DATE: April 6, 1988

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Our fascimile machine is an Omnifax G35 which is compatible with any group 1, 2 or 3 machine.

Our fascimile telephone number is (212) 249-3672.

DR. OSAMA EL-BAZ

Dr. Osama El-Baz, Director of the President's Political Affairs Office, is President Mubarak's chief foreign policy advisor.

Prior to assuming this post, Dr. El-Baz held senior positions at the Egyptian Ministry of Foreign Affairs. He served as Counselor and Senior Lecturer at the Ministry's Training Institute and as Deputy Head of the Foreign Minister's Private Office. In 1975 he was appointed head of that office with the rank of Ambassador, and in 1978 he participated in the Camp David negotiations as legal advisor to the Egyptian delegation. In his book Hard Choices, the then Secretary of State Cyrus Vance describes Dr. El-Baz as "the extremely gifted negotiator on the Egyptian side."

Under President Mubarak Dr. El-Baz has played a prominent role in Egypt's evolving relationship with Israel as well as in its rapprochement with the Arab states which has recently led to the resumption of full diplomatic relations with Egypt by most members of the Arab League. Thanks to his close ties with the PLO and with the leaders of the major Arab states, Dr. El-Baz has firmly established himself as a key player in the entire Middle East arena, far exceeding his formal title as an official of the Egyptian government.

---Chron Via---
---File bcc---

DE
NSC-Egypt

September 14, 1989

H.E. Abdel Raouf El-Reedy
Embassy of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20008

Dear Raouf:

Just a note to tell you that I enjoyed the time I spent with you, as I always do.

I also wish to remind you that if at all possible, I hope you can arrange a meeting for our senior officers with President Mubarak when he is in this country.

I mentioned to you during our meeting that I would be seeing Larry Eagleburger later that day. As it turned out, our meeting was not with Larry, but with Secretary Baker, at his request. It was a very interesting meeting, and I will be glad to tell you about it the next time we speak.

Last but certainly not least, I want to give you the information about the Nordic Track machine. You can order it by calling a toll free number, 800-328-5888. The machine you should order is the Nordic Track Pro (not the Nordic Track 505, a cheaper model, and not the Achiever model, which is more expensive).

Sincerely,

Henry Siegman

HS:dz

CIA
10/Egypt

1/1

AMERICAN JEWISH CONGRESS

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OFFICE OF THE EXECUTIVE DIRECTOR

FAX # 212-249-3672

TELECOPY COVER SHEET

TO: Henry Siegman

FROM: Irene Badi

DATE: July 27, 1989

Number of Pages 1, including this cover sheet.

If you have any questions about the materials being telecopied, please get in touch with

_____

HENRY,

Steve Silbiger just called...

Aaron Miller, Dennis Ross' assistant at the State Department told Steve he would notify Ambassador Frank Wisner to expect a phone call from you and Mr. Lifton. Ambassador Wisner's phone number in Cairo is: city code: 2, 355-7371.

Steve called his friend at the Egyptian Embassy. The friend had no word today; is hoping to have information for us tomorrow.

I will advise you as soon as I hear anything.

Irene B.

EGYPT UPDATE

A PERIODIC SURVEY OF EGYPTIAN-ISRAELI RELATIONS

NO. 5

by Phil Baum and Raphael Danziger

Commission on International Affairs

American Jewish Congress
15 East 84th Street
New York, NY 10028

August 1989

AMERICAN JEWISH CONGRESS

Robert K. Lifton, President
Henry Siegman, Executive Director

Commission on International Affairs

Maurice Tempelsman, Chairman
Phil Baum, Director
Raphael Danziger, Assistant Director

Executive Summary

General

The crisis in Egyptian-Israeli relations following the harsh Egyptian denunciations of Israeli measures to quell the intifada early last year has largely subsided. Bilateral ties between the two countries have rebounded to pre-intifada levels, and Cairo's position toward the peace process remains reasonable and potentially constructive.

Bilateral Relations

Irritants: Nonetheless, Serious irritants continue to mar Egyptian-Israeli relations. Apart from continuing Egyptian condemnations of Israel's activities in the territories, the publication of virulent anti-Semitic and anti-Israel articles and commentaries in the Egyptian media has been the most persistent and the most troubling. Once again we urge President Mubarak to undertake more determined efforts to persuade Egyptian editors to refrain from such harmful publications. Other irritants were negative statements by Egyptian officials; Mubarak's refusal to meet with Israel's Prime Minister Shamir; the continuing diplomatic boycott of Israel's Embassy in Cairo; and the persistent restrictions on trade with Israel and Egyptian tourism to Israel.

Positive Developments: These problems, however, were balanced by the improvement in bilateral ties that was largely attributable to the final resolution of the Taba issue upon its return to Egypt last March. Egypt's growing acceptance in the Arab world, culminated by its readmission to the Arab League last May, helped relieve much of the pressure on Cairo to devalue its peace treaty with Israel. In addition to positive statements by Egyptian officials, high-level meetings and technical exchanges between the two countries were resumed. And finally, last May Egypt at last completed the transfer of compensation payments to the families of the victims of the 1985 Ras Burka murder, thus closing the file on this painful issue.

The Peace Process

Position Toward the PLO: Since last fall, Egyptian-PLO relations have become increasingly intimate and harmonious. Apart from frequent meetings with Arafat, Mubarak expressed strong support for the PLO and for its positions and played an important role in persuading the United States to enter into a "substantive dialogue" with it.

Procedural Aspects: Egypt's position on the procedural aspects of the peace process remained largely compatible with that of Israel's Labor Party. Cairo viewed the international conference merely as an "umbrella" for direct negotiations between the parties concerned. Egypt avoided rejecting Israel's current peace initiative, choosing to raise questions about its details instead. And finally, Mubarak engaged in extraordinarily intensive diplomatic activity aimed at pushing the peace process forward.

Substantive Aspects: To his credit, Mubarak seems to have understood that the situation called for efforts to promote the procedural aspects of the peace process, not for abstract peace plans. Very few statements by him on the substance of the peace settlement were recorded--and even those merely reiterated traditional Egyptian positions in general terms.

Assessment and Outlook

Despite the strains of the intifada, Egypt seems to remain determined to preserve the peace treaty with Israel, which has enabled it to prevent further costly wars and secure massive American aid and Western investments.

But the intifada will doubtless continue to cast a pall over Egyptian-Israeli relations, and even after it subsides, the persistent Palestinian problem is certain to prevent those relations from reaching complete, genuine normalization. Nothing more than careful and guarded relations between the two countries can be expected in the foreseeable future.

The United States may play an important role in encouraging Egypt to continue its constructive engagement in the peace process and avoid taking any risky measures that might jeopardize Egyptian-Israeli relations.

EGYPT UPDATE
A PERIODIC SURVEY OF EGYPTIAN-ISRAELI RELATIONS
No. 5

In our May 1984 memorandum "The Decline in Egyptian-Israeli Relations," we promised to complement our initial analysis with periodic updates of Egyptian-Israeli relations. The first update was issued in November 1984, the second in March 1985, the third in January 1986, and the fourth in January 1988. The following is the fifth of these periodic reports.

Our purpose is to keep the Jewish and general public informed of the major developments in this critical area and to alert Congressmen and the Administration to any changes in Egypt's conduct toward the Camp David accords and the peace treaty with Israel.

You will note that this report is in two parts. The first is a brief analysis of Egyptian-Israeli relations since January 1988. The second part of our update is a documented chronology of specific acts or statements that bear upon these relations. The dates in parentheses refer to items in the chronological section of our report that document or support the observations we make in our analysis.

Part I. Analysis and Assessment

Our last update (January 1988) was issued only a few weeks after the outbreak of the intifada, the Palestinian uprising in the territories. At that time we expressed concern that Egyptian-Israeli relations might be jeopardized following harsh Egyptian denunciations of Israel's riot-control techniques in the territories. We are now glad to report that the crisis has subsided: Bilateral Egyptian-Israeli ties have rebounded to pre-intifada levels, and Cairo's position toward the peace process remains reasonable and potentially constructive.

Bilaterally, relations between the two countries have considerably improved upon the removal of the two major obstacles to their further evolvement: Israel's return of Taba to Egypt (March 15, 1989) relieved earlier tensions over the area's final disposition and drew unusually warm praise from President Mubarak (March 20); and Egypt's transfer of final compensation payments to the families of the victims of the 1985 Ras Burka massacre (May 16, 1989) alleviated Israel's lingering indignation over what it had perceived as Egyptian foot-dragging in settling that tragic affair. With regard to the peace process, despite its growing rapprochement with the PLO Cairo's position remains largely in accord with that of Israel's Labor party, the Likud's junior partner in the present coalition government.

A. Bilateral Relations

1. Irritants

The Intifada: There is no question that since the end of 1987, Israel's efforts to quell the intifada and Egypt's reaction to those efforts have constituted the principal source of friction in the bilateral relations between the two countries. Top Egyptian officials repeatedly expressed support and encouragement for the intifada while condemning Israel's efforts to crush it. Thus, President Mubarak's political advisor Osama El Baz stated that the Arabs and the international community "must support the Palestinian uprising with all means" (March 12, 1988), and Egyptian Foreign Minister Abdel-Meguid said that "every martyr who falls from an Israeli soldier's bullet is a martyr of Egypt" (April 8). A year later (March 20, 1989) Abdel-Meguid once again praised the intifada and affirmed that "no one can stop it." The Egyptian parliament's upper house strongly condemned Israel for its "oppressive measures" against the Palestinians in the territories (January 2, 1988), and President Mubarak denounced the "bloodbath" in the West Bank and Gaza (January 4). El Baz flatly stated that "there is no doubt that Israel's behavior toward our brothers in the occupied territories has a negative effect on our relations" (January 25—2).

Anti-Semitic and anti-Israel Comments: The intifada has also exacerbated the chronic problem of offensive anti-Semitic and anti-Israel editorial comment in the Egyptian media. The

following is a small sample of almost daily comments of this kind: The official Egyptian radio station "Sawt al-Arab" accused Israel of committing crimes against the Palestinians that are "far worse than those which the Nazis were accused of committing against the Jews in Germany" (April 14, 1988). The same radio station described the "Israeli occupation forces" as "beasts of prey pressing their claws into the Palestinians' flesh and perpetrating crimes worse than those of the Nazis, the fascists, and all the racist regimes throughout history" (March 16, 1989). And the semi-official Cairo newspaper *Al-Ahram* accused Israel of employing obscene methods of torture and murder of Palestinians going beyond the "hellish methods, which Israel screamed about to the whole world when the Nazis used them against the Jews" (June 22).

Apart from such intifada-related comments, the Egyptian media persisted in its long-established practice of uttering anti-Semitic and anti-Israel slurs on general grounds or on special occasions. Thus, the establishment Egyptian daily *Al-Gumhuriya* printed an article according to which "as a result of the Nazis' racist rule in Europe and what happened to the Jews, Israel arose with all its expansionist and hostile expressions" (April 6, 1988). In an Egyptian television docudrama about an Egyptian spy in Israel, many Egyptian Jews are portrayed in a derogatory fashion (September 7). The Cairo establishment daily *Al-Akhbar* accused Israel of carrying out the bombing of the Pan American airliner over Scotland in which 258 people were killed (December 30—1). An *Al-Gumhuriya* columnist described Israel as a "terrorist and racist regime led by five terrorists" (January 7, 1989). An article in the Egyptian weekly *October* called Israel "a dangerous viper" and said that Egypt would "have to crush its head" (February 26—2). And "Sawt al-Arab" said that "the world has learned that the Israeli entity is racist, and worse than Nazism" (July 19—2).

As we emphasized in our previous updates, such writings simultaneously kindle dangerous passions in Egypt and provide powerful ammunition to opponents of the peace treaty in Israel, thus eroding the very foundations of the Egyptian-Israeli peace. We therefore once again urge President Mubarak to undertake more determined efforts to persuade the Egyptian editors to refrain from such harmful publications.

Negative Statements by Officials: Another unhelpful Egyptian practice has been a plethora of statements by high-level officials derogating the peace treaty with Israel and at times even questioning its validity. Thus, Osama El Baz said that the Arab League's joint defense treaty takes precedence in Egypt's view over the peace treaty (January 2, 1988), and stated two months later that the treaty does not supersede Egypt's pan-Arab responsibilities (March 6). Egypt's Minister of State for Foreign Affairs Boutros Ghali characterized Egyptian-Israeli relations as a "cold or aborted peace" (August 4). And President Mubarak's statement that if Israel were to attack the long-range missiles Saudi Arabia had purchased from China, Egypt would cancel its peace treaty with Israel (March 24), hardly bolstered Israel's confidence in Egypt's commitment to that treaty. Nor was that formally undertaken commitment reflected in Cairo's decision to bar Israel from participation in the 1988 international trade fair (February 24), in Egypt's boycotting of the annual Independence Day reception at the Israeli Ambassador's Cairo residence (April 21), or in

the deletion of Israel from a telephone directory listing the foreign embassies in Cairo (March 17, 1989).

Refusal to Meet Israeli Prime Minister: Similarly, President Mubarak's repeatedly expressed refusal to meet with Israel's Prime Minister Shamir (December 27, 1988; March 22, 31—2, and April 5, 1989) after declaring his intention to do so (December 25, 1988) has raised questions about Egypt's willingness to maintain the spirit of its peace treaty with Israel. For the sake of bolstering the treaty and in order to promote the peace process through high-level talks, we strongly urge Mubarak to agree to a meeting with Shamir as soon as possible.

Gulf of Eilat Navigation: To a lesser extent, Egyptian-Israeli relations have also been marred by local incidents not regarded by the Israelis as reflecting official Egyptian policy. In the Gulf of Eilat, Israel protested the penetration by an Egyptian gunboat of Israeli waters (August 11, 1988) and the ramming and seizing of an Israeli excursion boat by an Egyptian patrol boat (September 11). But by far the most serious incident in the area occurred when an Egyptian gunboat opened fire on an Israeli fishing boat which had apparently strayed into Egyptian waters, killing its captain (June 10, 1989). Following that incident, which led to angry demonstrations in Israel, the two governments decided to undertake high-level discussions to devise measures that would prevent the recurrence of such incidents.

Border Infiltration: Also, infiltration into Israel through the Egyptian borders continued. Following the capture of three armed infiltrators (February 4, 1988), an extremely grave incident occurred when three Palestinian terrorists, who infiltrated into Israel through the Egyptian border, murdered three Israeli hostages on a civilian bus they had hijacked near Dimona (March 7). Subsequently, a Palestinian student attacked with a knife an Israeli security guard who had boarded the bus on which he had crossed the border from Egypt (October 9); the Israeli army shot dead three suspected Arab infiltrators in the southern Negev who were believed to have come from Egypt (December 28—2); and two Palestinian infiltrators hurled a hand grenade at an Israeli army post in the Gaza Strip (March 15, 1989—2). Yet in none of these cases were there any indications that the Egyptians encouraged, or even acquiesced in, these infiltrations, and in the case of the Dimona incident, in fact, the Egyptian army cooperated with the Israelis in investigating it and in trying to apprehend its perpetrators.

Military Buildup: There is no question that Egypt lives in a dangerous neighborhood. Its relatively short border with Israel is dwarfed by much longer borders with Colonel Qaddafi's Libya to the west and with unstable Sudan, which controls the life-giving Nile, to the south. Clearly, then, Egypt needs a substantial army for legitimate defense of its vital interests. It is understandable, however, that despite Egypt's adherence to its peace treaty with Israel, Jerusalem is nervous about any indications of Egyptian preparation of warmaking capabilities against

Israel. For even if at present the Egyptian government has no intention of challenging Israel on the battlefield, changed circumstances may lead to changed intentions, in which case perceived capabilities take on critical importance. During the period under review, a number of disconcerting developments in this regard took place.

In what seems to have become an annual spring event, the Egyptian army conducted maneuvers in the Sinai of a simulated war with Israel (April 3, 1988, and April 4, 1989—4). Given the fact that the Egyptians have constructed a chain of fortifications in the Sinai that are fully stocked for the deployment of five divisions within 24 hours, it appears that Cairo has not abandoned the preparation of a military option (which, to be sure, does not necessarily imply an intention to utilize it) against Israel. Egypt's decision to resume full-scale military parades to mark the 1973 war with Israel (October 5, 1988) may have been intended to signal to Egyptians and to others that the military option was indeed available.

Given the near-obsolescence of Egypt's large stock of Soviet-made main battle tanks, its decision to conclude an agreement with the United States for the production of highly sophisticated M-1 Abrams tanks (November 1, 1988—2, and May 14, 1989) can hardly be faulted. Of far greater concern are the reports of Egyptian efforts to produce ballistic missiles and chemical weapons—a deadly combination.

When two Egyptian army officers and three Americans were charged in a U.S. court with a scheme to smuggle to Egypt sophisticated technology for the production of ballistic missiles (June 24, 1988), a case could be made that in the land of free enterprise, such scheme did not necessarily involve the Egyptian government. But several months later, lawyers for one of the defendants charged that Egyptian Defense Minister Abu Ghazala had personally recruited their client for the scheme, and an assistant U.S. attorney prosecuting the case said the government had evidence the exports were "authorized by high officials of the Egyptian government" (October 31). Despite Egyptian denials of these charges, the sudden dismissal of Abu Ghazala from his post (April 15, 1989—2) seemed to lend credence (although not proof) to speculation that the scheme's exposure discredited Abu Ghazala in his own government.

The evidence of Egyptian efforts to produce chemical weapons is less impressive, but it is nonetheless disturbing. According to Swiss and American officials, Egypt has acquired from a Swiss company the main elements of a chemical weapons plant (March 9, 1989); the allegation was strenuously denied by Egyptian officials (April 3—2, and April 27).

2. Positive Developments

The Taba Issue: These problems, however, were at least balanced by the improvement in the bilateral relations between Egypt and Israel during the period under review. The positive trend was largely attributable to the final resolution of the vexing Taba issue.

Israel's retention of the 250-acre Taba area southwest of Eilat following the completion of its

1988 withdrawal from the rest of the Sinai Peninsula's nearly 25,000 square miles had cast a pall over Egyptian-Israeli relations (see our previous updates for details). It will be recalled that in September 1986, Israel had reached agreement with Egypt to submit the Taba issue to binding international arbitration; the formal arbitration process began three months later, while parallel U.S. efforts to cut the tedious arbitration process by reaching a compromise at an earlier date continued throughout 1987.

After receiving final arguments by Israel and Egypt (February 3, 1988) and physically examining the area (February 18), and absent any progress in the parallel mediation efforts, the international arbitration panel finally decided to award Taba to the Egyptians (September 29). But even after the final border marker in the area was put in place (January 4, 1989—1), the Taba dispute remained unresolved: There was disagreement between the two countries regarding the 600-foot line from that marker to the shoreline. In subsequent negotiating sessions the Egyptians accused Israel of stalling (January 20) and even threatened to take possession of the territory unilaterally (January 26). It took another month of intensive discussions for the two countries finally to reach agreement returning Taba to Egyptian control (February 26—1). After the area was handed over to the Egyptians (March 15—1), President Mubarak himself flew to Taba for official ceremonies marking the occasion. He said the resolution of the dispute serves as a model of cooperation between Israel and the countries of the region (March 19). The settlement of the Taba issue—clearly Egypt's most acute bilateral grievance against Israel—thrust to the top of Egypt's Israeli agenda its only other bilateral complaint—Israel's acquiescence in the takeover by the Ethiopians of the small Bir-Sultan church in East Jerusalem which had been used by Egyptian Copts. Within days of the return of Taba to Egypt, Israeli officials began preparing for negotiations with Cairo over the Bir-Sultan issue (March 31—3), which is not expected seriously to strain Egyptian-Israeli relations.

Return to the Arab Fold: While the resolution of the nagging Taba issue had a direct, tangible, and immediate positive impact on the bilateral ties between the two countries, it would seem that Egypt's dramatic return to the Arab fold has had at least as important—if less obvious and direct—impact on buttressing the underpinnings of those ties. The resumption of diplomatic relations with Egypt by most Arab countries and its readmission to most pan-Arab organizations without any Egyptian concessions on the peace treaty with Israel have undercut the principal argument against the treaty previously made by its opponents. There is no doubt that the Egyptian government is now far more relaxed about its peace with Israel than it was during the long years when that peace had kept it ostracized and boycotted by most Arab states.

It will be recalled that by November 1987, nine Arab states had already restored diplomatic ties with Cairo which they had broken off following the 1979 peace treaty (Egypt Update No. 4). That process continued during the period under review. South Yemen (February 9, 1988), Algeria (November 24), and Lebanon (June 29, 1989) all resumed full diplomatic relations with Egypt,

leaving only Syria and Libya without such ties—and even those two nations made overtures of reconciliation toward Cairo (May 23 and 31, 1989). Egypt was voted back into the Council of Arab Economic Unity (December 7, 1988), the Organization of Arab Petroleum Exporting Countries (May 13, 1989), and finally the Arab League itself (May 16—1, 21, and 23). Egypt was also removed from the Arab economic boycott of Israel (July 6). Its stature in the Arab world was further enhanced when the leaders of Iraq (November 28, 1988) and Saudi Arabia (March 31, 1989—1) visited Cairo.

Despite Egypt's anger over Israeli measures against the intifada and the pressure of violent anti-Israel demonstrations in Cairo (January 1 and 5, 1988) and in Rafah (January 10—1), the Egyptian government forcefully expressed its determination to maintain the peace treaty with Israel (January 4) and to refrain from any steps such as recalling its Ambassador that might undermine the treaty (January 10—2 and 28). It is likely that the arbitration and final resolution of the Taba issue as well as Egypt's growing acceptance in the Arab world helped fortify that Egyptian position.

Helpful Statements: Just a few weeks after the onset of the intifada, President Mubarak stated to an Egyptian radio station that the Arab League's mutual defense pact does not contradict the peace treaty with Israel (January 11, 1988). Several days later, an Egyptian official convincingly rebutted in a letter to the *New York Times* the charge that his country's Education Ministry had refused to allow maps contributed by UNICEF into the Egyptian school system because they included the name Israel (January 18). A Conference of Presidents of Major American Jewish Organizations delegation meeting with Mubarak and other top Egyptian officials in Washington found that Egypt was sincerely interested in maintaining its relationship with Israel (February 1). Israeli foreign ministry officials subsequently expressed surprise at the warm welcome with which Israel's new Ambassador in Cairo, Professor Shimon Shamir, was received by the Egyptian government and media (August 8). And although Egypt was clearly disappointed by the strong showing of the Likud party in Israel's elections, the Egyptian Foreign Minister emphasized that his government would "deal with any Israeli government which is chosen by the Israeli people" (November 2, 1988). Upon Taba's return to Egypt, President Mubarak publicly praised Israel in virtually unprecedented terms: " . . . we must mention that Israel ultimately honored its promises, and chose to commit itself to the provisions of the peace accord and the arbitration ruling [on Taba]. Thus, it has contributed to the achievement of this positive result, which will reflect well on the atmosphere of peace and conciliation" (March 20, 1989—2).

High-Level Meetings: Beyond making positive statements toward Israel and the peace treaty, the Egyptians helped put the relations between the two countries back on track by resuming high-level meetings with the Israelis that had been quietly suspended during the first several months of the intifada. The foreign ministers of Egypt and Israel met in New York with President Reagan in

the first high-level joint meeting of the three countries since the beginning of the Reagan Administration (September 26, 1988). The two foreign ministers met in Paris once again shortly afterward (January 10, 1989—1), followed by a meeting between the Israeli foreign minister and President Mubarak in Cairo (February 20). Three days later Mubarak met with President Herzog in Tokyo (February 23). Israel's director general of the Ministry of Foreign Affairs met with the Egyptian foreign minister in Cairo (April 18), and in an unusual meeting, two Orthodox Sephardi leaders from Israel held talks in Cairo with President Mubarak at his invitation (July 19—1). Despite Mubarak's refusal to meet with Prime Minister Shamir (see above), the relatively high frequency of these somewhat lower-level meetings was certainly encouraging and significant.

Other Aspects: Similarly, the continuation of technical and academic exchanges—albeit at their usual low frequency—pumped life into the relations between the two countries. For the first time since the conclusion of the peace treaty, a joint seminar of Israeli intellectuals and academics and Egyptian faculty members and researchers specializing in the history, culture, and heritage of the Jewish people was held in Cairo (February 21, 1988). And a delegation of Egyptian scientists participating with Israeli colleagues in a joint research project on maritime technology in the eastern Mediterranean arrived in Israel (November 7). Furthermore, Israeli tourists continued to visit Egypt in large numbers and several thousand Egyptian tourists per year continued to arrive in Israel (October 9, 1988, and March 26, 1989). Whereas in 1988 Israel was not invited to the annual Cairo International Fair due to the intifada (see above), in 1989 Israel was at first invited to attend (October 10, 1988), and when Egypt came under pressure to disinvite Israel it decided to cancel the fair altogether (February 1, 1989—2). The Israelis also noted with approval the vigorous Egyptian measures against terrorists implicated in attacks against Israeli targets: the indictment and trial of former President Abdel Nasser's son and his co-conspirators on charges of assassinating Israeli diplomats in 1985 and 1986 (February 18, 1988—2, and November 1—1); and the deportation of eight Palestinians for plotting terrorist attacks against Israel (November 8).

The Ras Burka Affair: And finally, the tragic Ras Burka affair, in which a demented Egyptian soldier had murdered seven Israeli tourists in the Sinai in 1985 (see Egypt Update No. 3), was at last settled. After years of equivocation, Egypt finally offered the victims' families a reasonable monetary compensation (February 1, 1989—1). After paying part of the agreed sum (April 12—2), the Egyptians completed the transfer of the compensation payments (May 16—2) and thus closed the file on this painful issue.

B. The Peace Process

Position Toward the PLO: It will be recalled that after a seven-month rift in Egyptian-PLO relations following Cairo's anger over the castigation of its policies at the Palestine National Council meeting in April 1987, Egypt permitted the re-opening of the PLO offices in Cairo in November of that year (the PLO office in Alexandria and the Fatah information office in Cairo were reopened on April 24, 1989). Yet it took another four months for PLO leader Yasir Arafat to arrive in Cairo and meet with Mubarak for the first time since the PNC session (March 18, 1988). And although Egyptian officials attended memorial ceremonies in Cairo for Arafat's deputy Abu Jihad who was killed in Tunis reportedly by Israeli agents (April 20) and Egypt condemned Israel for that assassination (April 23), Arafat's next visit to Cairo took place only six months later (September 21). But after that second visit, further meetings between Arafat and Mubarak in Cairo followed in rapid succession (October 12; October 22; November 22; December 4; December 18; January 4, 1989—2; March 25; April 15; June 13; and July 12—2).

These frequent meetings were clearly accompanied by growing intimacy and harmony between Egypt and the PLO. Mubarak flew with Arafat from Cairo to Jordan to meet with King Hussein (October 22, 1988), and from Jordan to Iraq for a meeting with President Saddam Hussein (October 23). The Egyptians welcomed the Palestine National Council resolutions in Algiers as sufficient evidence of PLO recognition of Israel, and decided to urge the United States to open a dialogue with the PLO (November 15). After several days of hesitation, Cairo announced that it had recognized the independent Palestinian state declared by the PNC session in Algiers (November 20); Israeli officials took a dim view of that recognition (November 22). The Egyptian foreign minister then expressed regret over the U.S. refusal to grant a visa to Arafat to address the UN General Assembly in New York (November 27). And several months later, Mubarak stated that the PLO must attend any peace negotiations (April 12, 1989—1).

Unquestionably, Egypt played an important role in persuading the United States to decide, on December 14, 1988, to enter a "substantive dialogue" with the PLO. Mindful of the U.S. insistence on unambiguous PLO recognition of Israel as a condition for entering such dialogue, Egyptian officials urged Arafat, during his last visit in Cairo prior to addressing the UN General Assembly in Geneva on December 13, to "make his case clear in the most unambiguous terms" (December 4). After warmly praising Arafat's address, President Mubarak urged U.S. Secretary of State George Shultz to assume a "more understanding and positive stand" toward the PLO (December 14). And as Mubarak later suggested, he had helped sway Shultz from his opposition to entering talks with the PLO. He said he had asked Arafat to delay a press conference scheduled for the morning after his speech in Geneva until the evening, and then called Shultz to argue that Arafat had met the American conditions. The United States reversed its position shortly after Arafat reiterated the principal points of the speech at his subsequent press conference (December 25). Mubarak thanked the United States for its decision to talk to the PLO (December 15) and

expressed hope for the continuation of the dialogue (December 18). A few days later, an Egyptian official said that Egypt would not press the PLO for further concessions because it had "done all it was required to do and all it could be expected to do" (December 28—1). Subsequently, Mubarak stated that the PLO must attend any peace negotiations (April 12, 1989—1).

Procedural Aspects: Other than this growing closeness to the PLO and insistence on its participation in peace negotiations, Egypt's position on the procedural aspects of the peace process remained largely compatible with that of Israel's Labor Party. On many occasions, Mubarak emphasized that he viewed the international conference for Middle East peace merely as an opening or "umbrella" for direct negotiations between Israel, the Palestinians, and other interested parties (December 30, 1988—2; February 16, 1989; March 22; April 3—1; April 4—1; April 4—2; April 5). At least on one occasion, Mubarak even stated that alternatives to the international conference were worth exploring (January 25, 1989—1). In early April 1989, after Israel's Prime Minister Shamir proposed holding elections for a self-governing authority in the West Bank and Gaza (his proposal became official government policy in mid-May), Mubarak was initially noncommittal (April 4—1), but expressed a willingness to help such elections if they were held under international supervision (April 4—3), a format he believed might be acceptable to the PLO (April 12—1). Subsequently, Mubarak and Foreign Minister Abdel-Meguid raised questions and expressed reservations regarding the Israeli elections proposal (April 21; May 15; July 12—1); but at no time did Cairo reject the proposal, and at least once Egyptian officials described it as "the only thing on the table" (May 15). While spurning the added conditions imposed by the Likud Party on the Israeli peace initiative (July 10—1; July 19—1), Mubarak stressed that as far as he knew, those conditions were "not binding on the government" and "the previous formula still stands" (July 12—1). Indeed, shortly afterward the Israeli government—a Likud-Labor coalition—approved the original elections proposal without the added Likud conditions.

Throughout the period, President Mubarak was extraordinarily active in attempting to push the peace process forward. Shortly after the beginning of the intifada he called on Palestinians and Israelis to halt all acts of violence against each other for six months to clear the way for a new effort to bring peace to the area (January 21, 1988). A few days later he left for a six-nation tour to promote his initiative (January 25—3). Upon arriving in Washington, he presented his proposals to the Administration and the public; apart from the six-month suspension of violence, they included a six-month cessation of construction of new Jewish settlements; respect for international treaties; movement toward convening an international conference; and respect for Palestinian rights (January 28). When U.S. Secretary of State George Shultz presented his own peace plan—essentially a reiteration of the London agreement signed between Jordan's King Hussein and then Israel Foreign Minister Peres in April 1987—Mubarak lent his support to the plan (March 5; May 15).

After King Hussein announced, on July 31, that Jordan had severed its legal and administrative

ties with the West Bank, Egypt saw an opportunity to patch up relations between Jordan and the PLO (August 2). Following a four-nation European tour (September 27), Mubarak met with King Hussein and Yasir Arafat in Aqaba, Jordan, trying to arrange a rapprochement between the PLO and the Jordanians (October 22). During the subsequent weeks Mubarak was busy urging PLO moderation and helping to nudge the United States to enter a dialogue with the Palestinian organization (see above). Clearly, Cairo had once again emerged as a major player in the Arab-Israeli political process.

Having realized that the Israeli government would not accept the PLO as a negotiating partner, Mubarak sought a compromise formula that might be acceptable both to Israel and to the PLO. Early this year he proposed for the first time that the Palestinian delegation might constitute a mix of West Bank and Gaza residents and "outside" Palestinian residents who would not necessarily include Arafat (February 16, 1989). Subsequently Mubarak was reported to have said the "outside" Palestinians might be two prominent Palestinian-American academics—Edward Said and Ibrahim Abu-Lughod—who are also members of the PLO's Palestine National Council (July 19—1). Most important, Mubarak presented a 10-point program in the form of Egyptian reservations to the Israeli election proposal, which included demands such as international supervision and Israeli acceptance of the principle of trading land for peace in a final settlement but did not specifically insist on a Palestinian state or a role for the PLO in the elections, (July 2).

Striving to gain further visibility as a Middle East peace maker, Mubarak invited Soviet Foreign Minister Shevardnadze and Israeli Foreign Minister Moshe Arens to a meeting in Cairo, and several hours later hosted a meeting between Shevardnadze and Arafat (February 22, 1989). A few weeks later Mubarak left on yet another European tour to promote the peace process (March 13), and once again met with King Hussein an Yasir Arafat, this time in Ismailiya (March 25). He then left for Washington for his first meeting with President Bush (April 3—1), virtually saturating the U.S. media with statements on the Arab-Israeli peace process (April 4—1-3; April 5). A week later he was already in Jordan to discuss the peace process with King Hussein (April 12—1).

Having managed to return Egypt to the Arab League, Mubarak made Cairo's weight felt at the very first League summit meeting Egypt had attended since 1979. The meeting's communique—while far less forthcoming than previous Egyptian statements—clearly reflected Egypt's triumph over hard-line Arab states that had pushed for an outright rejection of Israel's elections proposal (May 26). In yet another attempt to help move the peace process along, Cairo offered the Israelis to act as a go-between with the PLO—an offer rejected by Jerusalem (June 12). And all this activity was supplemented by the relatively high-level Egyptian meetings with Israeli officials described above.

Substantive Aspects: To his credit, Mubarak seems to have understood that the situation on the ground called for efforts to promote the procedural aspects of the peace process—i.e., agree-

ment on the modalities of the negotiations and getting them going—not for blueprints for the final settlement of the conflict. For this reason, very few statements by him on the substance of the peace settlement were recorded during the period under review. His most detailed statement on this issue reiterated well-known Egyptian positions: "We want to establish a Palestinian state in accordance with [UN] Resolution 181 [of 1947 for the partition of Palestine] within the borders which existed in 1967. We want stability in the region, and we want peace to prevail in the whole region, including Israel" (December 18, 1988). In an extraordinarily constructive statement, Mubarak was reported to have said that the Palestinian demand for the "right of return" was totally unrealistic, and would have to be resolved by means of financial compensation and resettlement in Arab countries (January 10, 1989—2). Most astonishingly, Mubarak stated that "had [Egypt] succeeded in implementing the principles contained in [the Camp David accords of 1978], we would now be in a much better situation than the situation in which we find ourselves today" (May 6).

Assessment and Outlook

During the first weeks of the intifada, Cairo was subjected to powerful pressures from within and from without to "punish" Israel for its efforts to quell the Palestinian uprising. Had the Egyptians heeded those pressures and withdrawn their ambassador from Israel or even cut off diplomatic relations with it, the entire structure of Egyptian-Israeli peace might have been jeopardized. Fortunately, President Mubarak stood up to the pressure and limited his reaction mostly to verbal protests. While a severe aggravation of the intifada might yet lead to a crisis in Egypt's relations with Israel, it is certainly encouraging that after 20 months of the intifada, the peace between the two countries remains intact. It is even arguable that Egypt and Israel's success in surmounting the challenges posed to their relationship by the intifada has actually reinforced its foundations.

This, of course, is not to say that all bilateral problems between Egypt and Israel have been resolved and the irritants in their relationship removed. Apart from the long list of grievances and irritants delineated above, Egypt continued to maintain a virtual diplomatic boycott of the Israeli Embassy in Cairo, to curtail trade with Israel, and to impose severe restrictions on Egyptian tourism to Israel. But at least no further aggravation in these practices—which unfortunately had become constant features of Egyptian policy toward Israel—was recorded.

Egypt might have reacted to the intifada by hardening its position on the peace process in order to cater to those in Egypt and the Arab world who presented the tough Israeli countermeasures as "proof" that peaceful diplomacy had failed and needed to be replaced by an uncompromising hard line. Instead, President Mubarak intensified his diplomatic efforts and strove hard to devise a compromise formula that would help bring Israelis and Palestinians together. While the efficacy of Egypt's rapprochement with the PLO may be questioned, it seems clear that from

Cairo's perspective, Arafat appeared to be the only leader capable of delivering a constructive Palestinian participation in the peace process.

Unquestionably, both Cairo's policy of refraining from jeopardizing its bilateral relations with Israel and its moderation with regard to the peace process were helped by propitious contemporaneous developments such as the resolution of the Taba issue and Egypt's reintegration in the Arab world. But those developments, as important as they were, cannot wholly account for the continuity in Egypt's policies toward Israel and the peace process during the decade that has passed since the conclusion of the peace treaty in 1979.

Beyond the obvious explanation that Egypt needs peace with Israel and a productive peace process between Israel and the Palestinians in order to avoid yet another costly war with Israel that would in no way advance Egyptian interests, Cairo's activist yet peaceful policy was candidly interpreted by President Mubarak himself in a recent interview. After underlining the importance of convincing the creditor industrial states of the need to reduce high interest on their debts in order to help the debtor nations to repay them and to prevent the possibility of defaulting on repayment which would threaten the flow of capital, Mubarak said: Egypt's political importance in the region and its ability to move in the Arab and international arenas are the two influential factors prompting the countries of the world to assist Egypt (July 10—2).

Indeed, given Egypt's decreasing ability to sustain its rapidly growing population on its own, Western—particularly American—aid and investments have become its veritable lifeline. Mubarak is fully aware that U.S. aid is predicated both on Egypt's adherence to the peace treaty with Israel and on an American perception that Cairo is important to U.S. interests; he also knows that commercial Western investments in Egypt would instantly dry up if a war with Israel were imminent. Egypt needs, therefore, to maintain its peace treaty and to play an important role in the peace process, which Western policy makers deem vital to their countries' own interests.

At the same time, there is no doubt that the intifada will continue to cast a pall over Egyptian-Israeli relations. And even after it subsides, the judgment we expressed in our previous updates will most likely remain valid. As long as the Palestinian problem continues to fester, Egyptian relations with Israel will fall short of complete, genuine normalization. Given both the domestic opposition and external Arab objections, it is unrealistic to expect soon anything more than careful and guarded relations between the two countries.

Nonetheless, the United States can play an important role here. While encouraging Egypt to continue to engage constructively in the incipient Arab-Israeli peace process, the Administration would do well to urge Cairo to maintain its bilateral ties with Israel at their current level and to avoid taking any risky measures that might jeopardize those ties. It must be emphasized, however, that despite the persistence of problems and irritants in Egypt's relations with Israel and in its policies toward the peace process, it is gratifying that the Egyptian-Israeli peace treaty has survived intact over a decade of severe crises, strains, and challenges, and that it is entering its second decade on a sounder footing than was thought possible ten years ago.

Part II. Chronology

1988

January 1. Egyptian police charged and beat hundreds of anti-Israel protesters chanting Islamic and anti-Israeli slogans and besieged others near Cairo's Al-Azahar mosque. Participants said they were headed for a downtown synagogue when police dispersed the crowd. The protest was the latest and most dramatic in a series of demonstrations prompted by Israel's crackdown on Palestinian protesters in the West Bank and Gaza. The Interior Ministry said 22 protesters were arrested, and officials said some police officers were injured in the clashes (*New York Times*, Jan. 2).

January 2. In an interview with the Kuwaiti newspaper *Al-Siyasa*, President Mubarak's chief political advisor Osama El-Baz said that the Arab League's joint defense treaty takes precedence in Egypt's view over the peace treaty with Israel. The Egyptian parliament's upper house strongly condemned Israel for its "oppressive measures" against the Palestinians in the territories. (*Davar*, Jan. 3).

January 4. Egypt's President Hosni Mubarak said that the "bloodbath" in the West Bank and Gaza proves that peace is impossible as long as Israel continues to occupy Palestinian land and deprive the Palestinians of their rights. Their right to struggle for the liberation of their land and for self-determination can no longer be ignored, Mubarak said.

Mubarak's political advisor Osama El-Baz said in an interview with the Kuwaiti newspaper *Al-Siyasa* that Egypt has no intention of lowering the level of its diplomatic representation or cutting off its ties with Israel following the Palestinian uprising in the territories. El-Baz explained the Egyptian position as based on the need to maintain the tie with Israel as a "means of pressure to hinder that country from continuing the policy it has been conducting in the occupied territories." (*Ha'aretz*, Jan. 5).

January 5. Egypt's Minister of Interior, General Zaki Bader, banned street demonstrations

anywhere in the country. The ban followed violent clashes between students at Ain Shams University in Cairo, demonstrating against Israel's policies in the territories, and police. The policemen used tear gas against several dozen students who attempted to leave the university campus, and made more than 50 arrests. 150 lawyers burned Israeli flags on the steps of the Egyptian lawyers' union building, shouting anti-Israel slogans and calling for the cutting of Egypt's diplomatic ties with Israel (*Ha'aretz*, Jan. 6).

January 10 (1). The Egyptian army dispersed hundreds of protesters on the Egyptian side of Rafah, who demonstrated against Israeli policies in the territories. The demonstrators threw stones, rubbish, and tires across the border. The soldiers opened fire, wounding many demonstrators (*Ha'aretz*, Jan. 11).

January 10 (2). At a press conference in Riadh at the end of a visit to Saudi Arabia, President Mubarak said he would not recall his ambassador from Israel. He defended his decision by saying that the ambassador's main role was to present the Arab position directly to the Israelis rather than through a third party. "Israel hopes I'll cut off the ties so the U.S. will be at its exclusive disposal," Mubarak said (*Ha'aretz*, Jan. 11, quoting *AFP*, *Reuters*).

January 11. President Mubarak said in an interview that Egypt was bound by the Arab mutual defense treaty and that there was no contradiction between it and the peace treaty with Israel. He added that the defense treaty existed "only on paper." However, even if there was no treaty and an Arab country were to find itself in a difficult situation, Egypt would be in a position to help and would act without delay, Mubarak added (*Radio Sawt al Arab*, Cairo, Jan. 11).

January 18. In a letter-to-the-editor, the Minister for Press and Information at Egypt's Embassy in Washington, Mohammed Wahby, rebutted the charge that the Egyptian Education Ministry had refused to allow maps contributed by UNICEF into the Egyptian school system because they included the name Israel. Wahby quoted the Egyptian Minister of Education, Fathi Serour, as saying that his ministry had been distributing an official atlas for schools throughout Egypt in which not only is the name Israel mentioned, but its territory is mapped out. The UNICEF maps were withdrawn because in them Israel was shown covering not only Israel proper but also the West Bank and Gaza (*New York Times*, Feb. 1).

January 21. President Mubarak called on Palestinians and Israelis to halt all acts of violence against each other for six months to clear the way for a new effort to bring peace to the Middle East. Terming the current disturbances in the territories "an alarm that cannot be ignored," Mubarak said in an interview that he would launch a "new peace initiative that would eventually lead to direct negotiations between Israel and its Arab neighbors if the six-month cooling-off period takes effect" (*Washington Post*, Jan. 22).

January 25 (1). An American Jewish Congress delegation visiting the Middle East has urged Mubarak and King Hussein to consider Shamir's objections to the peace conference and to see if they could modify their positions to keep the peace momentum going. The delegation, led by

Theodore Mann, AJCongress national president, and Henry Siegman, the group's executive director, met with the two leaders before arriving in Israel. Reporting their findings at a news conference in Tel Aviv, the delegation said Mubarak believed that alternatives to the peace conference were worth pursuing (*JTA Bulletin*, Jan. 26).

January 25 (2). In an interview with *New Outlook*, President Mubarak's political advisor Dr. Osama El-Baz stated: "There is no doubt that Israel's behavior toward our brothers in the occupied territories has a negative effect on our relations... The peace treaty with Israel is not a separate peace." Dr. El-Baz added: "Today, as always, our relations with the PLO are excellent... We opened the PLO offices despite Israel's objections, because we will not sit and wait until a solution is handed down on a silver platter" (*New Outlook*, Feb. 1988).

January 25 (3). President Mubarak called for an end to violence in the Middle East and for an international peace conference. He is on a six-nation tour to promote peace proposals. "The only option toward the stabilization of the situation is a peace conference," he said before leaving for London. He is to meet with Prime Minister Margaret Thatcher and fly on to Washington for talks with President Reagan. On his way home, he is to visit France, Morocco, and Italy. During a four-hour stop in Bonn, meeting with Chancellor Kohl, he said that West Germany supported his peace initiative which involves a suspension of Palestinian unrest in the territories for six months and a halt to the building of Israeli settlements, also for six months (*Washington Post*, Jan. 26).

January 28. President Mubarak told President Reagan that Egypt had refused to concede to Arab pressures to recall its ambassador to Israel, according to a senior Administration official. At the Reagan-Mubarak meeting in Washington, Mubarak "spoke of the need for channels of communication between the Arab world and Israel," the official said. The two leaders also discussed Mubarak's five ideas to encourage peace in the territories that he unveiled during the previous week. The official said Mubarak described the five points to U.S. officials as:

- •Terminating violence in the territories for six months.
- •Ceasing construction of new Jewish settlements in the territories for six months.
- •Respect for fundamental and political rights of Palestinians.
- •Respect for international treaties that protect Palestinian rights.
- •Movement toward convening an international peace conference.

(*JTA BULLETIN*, Jan. 29).

February 1. The chairman of the Conference of Presidents of Major American Jewish Organizations, Morris Abram, said at a press conference in New York that a Conference delegation of Jewish leaders found in meetings in Washington with Egypt's President Mubarak, Foreign Minister Abdel Meguid, and other Egyptian officials that Egypt was sincerely interested in peace in the Middle East and in maintaining its relationship with Israel (*JTA Bulletin, Feb. 2).*

February 3. The international arbitration panel on Taba met in Geneva to receive the final written arguments by Israel and Egypt. Efforts are continuing, meanwhile, to persuade both coun-

tries to reach a compromise agreement before the dispute goes to binding arbitration (*JTA Bulletin*, Feb. 4).

February 4. Israeli troops captured three armed men who infiltrated into the country across the southern border with Egypt, apparently in order to carry out an attack on civilians, the army announced (*New York Times*, Feb. 12).

February 9. South Yemen resumed full diplomatic relations with Egypt, which it had cut off following the conclusion of the Egyptian-Israeli peace treaty in 1979 (*Washington Post*, Feb. 10).

February 18 (1). The Taba area was observed from the air and examined on the ground by the five-member international arbitration team that must decide whether it belongs to Israel or Egypt (*JTA Bulletin*, Feb. 19).

February 18 (2). Khaled Abded Nasser, the eldest son of former President Gamal Abdel Nasser, was indicted on charges of murder and conspiracy in connection with an underground cell that attacked Israeli and American diplomats in Cairo. Egypt's chief prosecutor asked for the death sentence for Nasser because of his alleged involvement in the group, Egypt's Revolution. The prosecutor also indicted 19 other men, including two Army officers, an Air Force officer, a nephew of Gamal Addel Nasser and the son of one of the "free officers" who overthrew the monarchy in 1952. Of the 20 men indicted, 11 face the death penalty but only nine are in custody. Egypt's Revolution shot an Israeli security guard in Cairo in 1984, wounding him. In 1985, the group assassinated an Israeli administrative attache. In 1986, a young woman working at the Israeli Embassy was killed (*Washington Post*, Feb. 19).

February 21. For the first time since the conclusion of the Israeli-Egyptian peace treaty, a joint seminar of Israeli intellectuals and academics and Egyptian faculty members and researchers specializing in the history, culture, and heritage of the Jewish people was held in Cairo. The seminar was organized by the Israel Academic Center in Cairo (*Ha'aretz*, Feb. 22).

February 24. For the first time since the conclusion of the peace treaty, Egypt has refused to allow Israel to participate in the international trade fair in Cairo, which this year will open on March 12. The Egyptian government explained its decision by citing Israel's suppression of the intifada and the hardening of its positions on the resolution of the Palestinian problem (*Ma'ariv, Feb. 25).*

March 5. During talks in Cairo with President Mubarak as part of his one-week shuttle between Israel, Jordan, Syria, and Egypt, Secretary of State Shultz obtained Egyptian support for his peace plan for the territories. Mubarak, Shultz said, "is in some ways a partner with us in trying to get this going" (*New York Times*, March 6).

March 6. In an interview published March 7, Dr. Osama El-Baz told the London-based *Al-*

Sharq Al-Awsat that the 1979 Egyptian-Israeli peace treaty does not supersede Egypt's pan-Arab responsibilities. El-Baz explained that "at an early stage of the negotiations Israel tried to claim that Egyptian commitments under the treaty should have precedence over all other agreements... We consider that our main commitment emanates from the Arab League Charter, the Joint Arab Defense Pact and the Arab common market (*Near East Report*, March 28).

March 7. Three Palestinian terrorists, who infiltrated into Israel through the Egyptian border, killed three Israeli hostages on a civilian bus they had hijacked near Dimona before being killed by Israeli security forces. This was the second time during the last few weeks that terrorists have crossed the Egyptian border into Israel (for the previous incident, see Feb. 4, 1988). Israel and Egypt are cooperating in the investigation of the attack through their joint military commission (*Yedi'ot Aharonot*, March 9).

March 12. In an interview with the Saudi newspaper *Al-Yawm*, President Mubarak's political advisor Dr. Osama El-Baz stated that the Arabs and the international community must support the Palestinian uprising with all means to enable it to achieve its legitimate goal, which is liberation from the Israeli occupation (*Al-Yawm*, March 13).

March 18. After arriving in Cairo for his brother's funeral, PLO leader Arafat met with President Mubarak and separately with Foreign Minister Abdel-Meguid. That was the first time Mubarak has received Arafat in Cairo since the April 1987 Palestine National Council meeting in Algiers and the ensuing Egyptian sanctions (*Middle East News Agency*, March 18).

March 24. President Mubarak said that if Israel attacked the long-range missiles Saudi Arabia had purchased from China, that would lead to the cancellation of the Egyptian-Israeli peace treaty. In statements to Egyptian reporters Mubarak criticized the implied threats made by the Prime Minister office director Yossi Ben-Aharon toward Saudi Arabia (*Davar*, March 25).

April 3. Israeli officials have expressed concern over a number of Egyptian moves in the military field. The Egyptian army carried out in March war games which assumed an Israeli reoccupation of the demilitarized Sinai territory. The Egyptian defensive plan is based on a chain of fortifications in Western Sinai, currently occupied by only a mechanized division, but can accommodate five divisions at short notice. The fortifications' fuel and ammunition dumps are already fully stocked for such a deployment—which would take only 24 hours, under the new military plan (*Washington Times*, April 4).

April 6. The establishment daily newspaper *Al-Gumhuriya* printed an article by Ambassador Baha al-Din al-Rashidi entitled "Zionism and Racism in the Service of Imperialism." According to the article, "As a result of the Nazis' racist rule in Europe and what happened to the Jews, Israel arose with all of its expansionist and hostile expressions" (*Al-Gumhuriya*, April 6).

April 8. Egypt's foreign minister Abdel-Meguid called upon all Palestinians and Arab parties

to continue to support the intifada. Speaking before the Egyptian parliament, he stated that "every martyr who falls from an Israeli soldier's bullet is a martyr of Egypt" (*Middle East News Agency*, Apr. 8).

April 14. The official Egyptian radio station "Sawt al-Arab" accused Israel of committing crimes against the Palestinians in the territories that are far worse than those which the Nazis were accused of committing against the Jews in Germany. The commentator charged the Israeli forces with murder, torture, starvation, and deportation (*Sawt-al-Arab*, Apr. 14).

April 20. During the course of the funeral of Abu-Jihad, the PLO official killed in Tunis reportedly by Israeli agents, memorial ceremonies were carried out in other Arab cities. The Cairo ceremony was attended by the foreign minister, Presidential advisor Osama El-Baz, Egyptian party leaders, politicians, and academics (*Middle East News Agency, Apr. 21).*

April 21. For the first time since the 1979 signing of the Egyptian-Israeli peace treaty, no personal representative of the Egyptian President attended the Independence Day reception at the Israeli Ambassador's Cairo residence (*Yedi'ot Aharonot*, Apr. 22, quoted in *Near East Report*, May 2).

April 23. Abd al-Halim Badawi, Egypt's representative to the Security Council, said, "Egypt condemns Israel for its responsibility for the assassination of Abu-Jihad and for the violation of Tunisia's sovereignty through an Israeli terrorist group." He added that the murder was an attempt to undermine the peace efforts (*Radio Cairo*, Apr. 23).

May 15. In an interview with the Kuwaiti newspaper *Al-Siyasa*, President Mubarak said that direct negotiations are the best way to achieve a settlement between Israel and the Arabs. "I am convinced that very important results may be achieved through such negotiations," he stated. Mubarak added: "I tell the Arabas that it's illogical to reject all the ideas in the Shultz plan. Logic requires that we accept the positive points and leave the non-positive points for negotiations." (*Ma'ariv*, May 16).

June 24. Two Egyptian military officers and three Americans were charged with a scheme to smuggle highly sophisticated American-made chemicals and other materials to Egypt. U.S. officials said the materials were to have been used in an Egyptian program to build ballistic missiles. The Egyptian Embassy had no immediate comment on the arrests. Court documents in the case assert that embassy cars and buildings were used in the smuggling scheme. Administration officials said the Egyptians apparently intended to use the material in a program with Argentina to develop the Condor-3 surface-to-surface missile. Some experts say the weapon, which will not enter service for several years, is being developed with Iraqi funds (*New York Times*, June 25).

August 2. Following King Hussein's announcement on July 31 that Jordan was severing its legal and administrative ties with the West Bank, Egyptian foreign minister Abdel-Meguid said in

an interview that "Jordanian-Palestinian coordination" is still needed. "King Hussein's decision does not mean Jordan will abandon its historical role" in protecting Palestinian rights or in the peace process, he said. Another Egyptian foreign ministry official said the King's speech might help to restore a climate of trust between the PLO and Jordan: "Maybe the decision of King Hussein can afford the possibility of a new beginning between the PLO and Jordan," he said (*Christian Science Monitor*, Aug. 3).

August 4. Egypt's Ambassador to the United States called on Deputy Secretary of State John Whitehead to protest Israel's recent actions in the territories. The ambassador had been instructed to express Egypt's concerns at the highest levels and urge the United States to use its influence with Israel. A week earlier, Egypt's minister of state for foreign affairs Boutros Ghali characterized Egyptian-Israeli relations as "cold or aborted peace" because of Israel's "intransigence" on the peace process (*Christian Science Monitor*, Aug. 8).

August 8. Considering the tension between Israel and Egypt on the Taba issue and the intifada, Israeli foreign office sources expressed surprise at the warm welcome with which Israel's new Ambassador in Cairo, Professor Shimon Shamir, was received. Professor Shamir's arrival in Egypt was widely covered by the establishment press and just one week after his assumption of office, the new ambassador met with the Egyptian foreign minister, Abdel-Meguid, and presented him with his credentials (*Davar*, Aug. 9).

August 11. The Egyptian gunboat Timsah, which is permanently stationed in Egyptian waters in the Nuweiba area, penetrated Israeli waters in the Taba area and reached a distance of only 300 feet from the coast. Israeli liaison officers in Taba immediately submitted a complaint to their Egyptian counterpart. The Egyptian consul in Eilat said the matter was under investigation (*Ha'aretz*, Aug. 12).

September 7. In a currently running Egyptian television docudrama about an Egyptian spy in Israel, many Egyptian Jews are portrayed in a derogatory fashion—as moneylenders with long noses and beady eyes, who frequent a grim cafe. A menacing version of "If I Were a Rich Man" sets the mood for their dealings (*Christian Science Monitor*, Sept. 8).

September 11. Israeli officials expressed disapproval of the Egyptian coast guard's move to ram and seize an Israeli excursion boat in the Gulf of Eilat on September 9. Information so far indicates that the seizure was an independent initiative, not coordinated with the authorities in Cairo. The Maya, with 35 Israeli passengers and crew aboard, was intercepted by the Egyptian patrol ship, rammed and towed to the Egyptian coast guard station on Coral Island in the Gulf. The Maya's deck and hull were damaged, but no one was hurt. After several hours, they were allowed to return to Eilat aboard the Maya, apparently on orders from the authorities in Cairo (*JTA Bulletin*, Sept. 12).

September 21. President Mubarak and PLO leader Arafat met in Cairo to discuss the PLO's

future moves, including a plan to proclaim an independent Palestinian state in the territories. Mubarak and Arafat embraced warmly at the start of the meeting—the first since King Hussein announced on July 31 that he was breaking off Jordan's links with the West Bank in favor of the PLO. The two leaders last met on March 18 when Arafat visited Cairo to attend the funeral of his elder brother, Mustafa (*Egyptian Gazette*, Sept. 22).

September 26. President Reagan met in New York with the foreign ministers of Israel and Egypt during the first joint high-level meeting of the three countries since the beginning of his administration. The largely symbolic meeting, planned as a commemoration of the tenth anniversary of the signing of the Camp David accords, came soon after Reagan gave his last address as President before the UN General Assembly (*JTA Bulletin*, Sept. 28).

September 27. With a European tour that took him today to Paris, President Mubarak has cast himself more forcefully than in recent months as a broker and central figure in the stalled quest for Middle East peace. Mubarak left last week for visits to Yugoslavia, Britain, France, and West Germany (*New York Times*, Sept. 28).

September 29. An international arbitration panel in Geneva ruled in Egypt's favor in the dispute over Taba, but left it to the two sides to work out a final section of the boundary. The border dispute has been the major unresolved issue between the two nations since they completed a peace accord in 1979. While the Israeli judge on the five-member panel dissented from the decision, both sides promised to carry out the ruling. The most difficult outstanding problem concerned the border from the last boundary marker to the gulf, about 190 yards away, which the ruling did not settle. In reading the judgment, the court's president, Gunnar Lagergren of Sweden, said the tribunal had visited the region and inspected the sights (*New York Times*,Sept. 30).

October 5. Egypt held its first full-scale military parade marking the 1973 war with Israel since President Sadat was assassinated in a similar parade in 1981. Tanks, artillery and truck-mounted missiles rolled by President Mubarak. heliocopters flying in formation and commandos storming buildings were also featured in the parade (*New York Times*,Oct. 6).

October 9. An Israeli security guard shot to death at the Rafah border terminal with Egypt a Rafah youngster who had attacked him with a knife. The attacker, a Palestinian, was a student at the University of Alexandria. He arrived on an Egyptian bus at the gate of the Israeli terminal in Rafah along with 7 other Gaza Strip residents and 2 Israeli tourists returning from Egypt. A civilian security guard boarded the bus for a routine security check when the youngster wounded him with a large knife. The guard shot and killed his attacker (*Ha'aretz*,Oct. 10).

The commander of Israel's southern region, General Yitzhak Mordechai, said he hoped that was merely a private initiative and was no more than a local incident, not a change in the situation. He added, "This is a border of peace and thus it will remain." According to

official data, during the month of August 32,439 persons passed through the Rafah terminal, including 10,843 Israelis, 12,581 Gaza Strip Palestinians, and 7,712 visitors from Arab countries. The September figures were similar (*Hadashot*, Oct. 10).

October 10. At a meeting with Israel's Ambassador in Cairo Shimon Shamir, Egyptian Foreign Minister Abdel Meguid formally invited Israel to participate in the Cairo trade fair (*Ha'aretz*, Oct. 11).

October 12. President Mubarak received PLO leader Arafat in Cairo. They discussed bilateral relations, the situation in the territories, the PLO leadership's deliberations in Tunis, and the possibility of convening an international conference (*Middle East News Agency*, Oct. 12).

October 22. President Mubarak and PLO leader Arafat arriving from Cairo, met with King Hussein in the Jordanian port city of Aqaba. Egyptian Foreign Ministry officials said Mubarak, seeking to reestablish Cairo's regional role as a peacemaker, had been trying for several weeks to arrange a rapprochement between Arafat and Hussein. Mubarak has also sought to revive King Hussein's influence. "Hussein is the cornerstone of the peace process," he told the Israeli newspaper Yedi'ot Aharonot this week. "We are constantly encouraging cooperation between Hussein and the Palestinians" (*New York Times*, Oct. 23).

October 23. President Mubarak and PLO leader Arafat flew from Aqaba to Baghdad to meet with Iraqi President Saddam Hussein. Mubarak returned to Cairo in the evening (*New York Times*, Oct. 24).

October 31. Lawyers for a California aerospace engineer accused of helping smuggle missile components to Egypt have charged that Egyptian Defense Minister Abu Ghazala recruited their client for the scheme but escaped official notice through a deal with the State Department. Lawyers for Abdelkader Helmy, an Egyptian-born U.S. citizen who was an engineer at Aerojet Solid Propulsion Co. in Rancho Cordova, California, said in court papers filed Oct. 24 in U.S. District Court in Sacramento, that Abu Ghazala twice met with their client and asked him to aid in buying material for an Egyptian military and research program (*Washington Post*, Nov. 1).

November 1 (1). Twenty Egyptians, including members of the late President Gamal Abdel Nasser's family, went on trial in Cairo on charges of assassinating Israeli diplomats, wounding others and attacking U.S. Embassy officials. The hearing started without the presence of Khaled Abdel Nasser, one of Nasser's sons, who is in exile in Yugoslavia and who is accused of helping finance the group, called Egypt's Revolution. State prosecutors accuse the organization of seeking both the overthrow of the Cairo government and the destruction of Egypt's peace with Israel. The prosecutors have demanded the death sentence for ll of the accused, including Khaled Abdel Nasser, and lesser penalties for nine others. The group is accused of attacking and slightly wounding two American Embassy staff members in May 1987 and of killing two Israelis, Albert Atrackchi in August 1985 and Etti Tal-Or in March 1986. They are also accused of wounding a third Israeli, Zvi Kadar, in 1984 (*New York Times*, Nov. 2).

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November 1 (2). After three years of negotiations, Egypt and the United States signed an agreement to produce the M-1A1 Abrams, the most sophisticated tank in the U.S. arsenal. Egypt will thus become the first country apart from the Untied States to build the tank. Under the agreement, 40 percent of the tank will be made in Egypt and the rest, manufactured in the Untied States, will be assembled at an Egyptian plant (*New York Times*, Nov. 2).

November 2. Reacting to the strong showing of the Likud Party in Israel's November 1 elections, Egyptian Foreign Minister Abdel-Meguid said in Cairo, "Egypt, of course, will deal with any Israeli government which is chosen by the Israeli people." He added that Egypt will "continue to push forward the peace process in the area" and expressed the hope that "any new government will cooperate with us in this effort" (*Washington Post*, Nov. 3).

November 6. In its editorial, the semi-official Cairo newspaper *Al-Ahram* expressed its belief that the results of the Israeli elections are a shock to everyone who is eager to speed up the peace process and that everyone who hoped for a new peace initiative is now in despair (*Al-Ahram*, Nov. 6).

November 7. A delegation of nine Egyptian scientists participating with Israeli scientists in a joint research project on maritime technology in the eastern Mediterranean arrived in Israel. Last year a similar delegation arrived with only four scientists. The joint project is funded by the U.S. Agency for International Development and U.S. scientists participate in it as well. The project has been carried out since 1980 (*Ha'aretz*, Nov. 8).

November 8. Egypt deported eight Palestinians for plotting terrorist attacks against Israel, the official Middle East News Agency said in Cairo. The eight were accused of planning "commando attacks" insdie Israel and trying to blow up the Israeli consulate in Alexandria. An Egyptian court upheld the decision by Zaki Badr, the interior minister in charge of police, to deport the eight unidentified Palestinians (*Associated Press*, Nov. 8).

November 15. An aide to the Egyptian foreign minister said that Egypt will urge the United States to open a dialogue with the PLO following the resolutions of its Palestine National Council in Algiers. He added: "I think the PLO has recognized all the preconditions for beginning a dialogue with Washington. They have accepted the Jewish state as a neighbor." Egypt also warmly welcomed the PNC's declaration of an independent Palestinian state, but did not immediately extend recognition (*Christian Science Monitor*, Nov. 16).

November 20. After several days of hesitation, Egypt announced that it had recognized the independent Palestinian state declared by the PLO's Palestine National Council November 15. The Foreign Ministry said in a formal statement that Egypt "affirms that it recognizes the independent Palestinian state" and "regards this recognition as having taken place as of 15th November, 1988." The Israeli Foreign Minister, Shimon Peres, said last week that any Egyptian recognition of the declared state would jeopardize the 1978 Camp David accords that led to a peace treaty with Israel a year later. The Egyptian Foreign Ministry announcement said Egypt

had championed support for the Palestinians "to enable them to exercise their legitimate rights, foremost of which is their right to self-determination and to establish their state on their land" (*New York Times*, Nov. 21).

November 22. After a meeting with Egyptian Foreign Minister Abdel-Meguid to convey Israel's protest at Egypt's recognition of the declared Palestinian state, Israeli Ambassador in Cairo Shimon Shamir said the question is not how Israel should react, but rather how to pursue the peace process in light of the new development. Foreign Minister Shimon Peres on the 21st summoned Mohammed Basiouny, the Egyptian Ambassador, to convey Israel's displeasure. Yossi Ben-Aharon, Director General of the Prime Minister's office, said Egypt's move was a gross violation of the Camp David accords. PLO leader Arafat, meanwhile, got a warm welcome in Cairo. He was in the midst of touring Arab countries to try to work out a common front before he addresses the UN General Assembly (*JTA Bulletin*, Nov. 23).

November 24. Egypt and Algeria restored full diplomatic relations, leaving Lebanon, Syria and Libya as the only Arab nations without full ties with Cairo. Relations were severed when Algeria and most other Arab nations agreed to boycott Egypt because of its 1979 peace treaty with Israel. An Arab League summit in November 1987 (See Egypt Update No. 4) agreed that members were free to renew ties with Cairo individually, although Egypt remains suspended from the Arab League (*New York Times*, Nov. 25).

November 27. Foreign Minister Abdel-Meguid said, "The Egyptian Foreign Ministry regrets the United States refusal to grant a visa to Yasir Arafat" (*New York Times*, Nov. 28).

November 28. Iraqi President Saddam Hussein flew unannounced into Cairo for his first visit since Baghdad formally restored relations with Egypt in 1987. Hussein said that discussions with President Mubarak would center on efforts to support the PLO (*New York Times*, Nov. 29).

December 4. PLO leader Yasir Arafat arrived in Cairo for the latest in a series of strategy consultations with Egyptian leaders in the wake of the Palestine National Council's November meeting in Algiers. Osama El-Baz, President Mubarak's political advisor, said that Arafat's forthcoming speech at the UN General Assembly in Geneva would be "an opportunity to make his case clear in the most unambiguous terms." El-Baz added: "Of course, we cannot dictate to Arafat what he is going to say, but we can give him our advice, and that is precisely what Egypt, Jordan, Iraq and many other Arab countries are contacting the Palestinian leadership about." Tahsin Bashir, a foreign-policy advisor, said Egypt was urging Arafat to refer explicitly to Israel in his Geneva speech. Cairo also wants him to announce a PLO commitment that, at the outset of peace negotiations, it would both recognize Israel and suspend the intifada. "The Israelis would resort to normal peacekeeping and the Palestinians would stop violence against Israelis," Bashir explained. "And I believe Arafat will accept this" (*Christian Science Monitor*, Dec. 5).

December 7. Egypt was unanimously voted back into the Council of Arab Economic Unity

nine years after it was expelled for signing the peace treaty with Israel. Two of the 12 members of the economic council, Libya and Syria, expressed reservations on the decision but voted with the others. The council works to ease trade and economic barriers among Arab countries and oversees an Arab common market (*New York Times*, Dec. 8).

December 14. President Mubarak praised the speech delivered by PLO leader Arafat at the UN General Assembly meeting in Geneva on December 13, describing it as "truly splendid." Speaking to reporters, he added: "I do not know what more is required of Arafat." He said that Arafat is a very moderate person and that it took strenuous efforts to enable him to deliver his speech. Mubarak asserted he had no doubt as to Arafat's sincerity in denouncing terrorism. In a telephone conversation with Secretary of State George Shultz, Mubarak urged the United States to assume a more understanding and positive stand with regard to the resolutions which the PLO has adopted in recent weeks (*Middle East News Agency*, Dec. 14).

December 15. President Mubarak sent messages to President Reagan and Secretary of state Shultz thanking them for the U.S. decision to enter into a substantive dialogue with the PLO (*Middle East News Agency*, Dec. 15).

December 18. President Mubarak received PLO leader Arafat in Cairo. The two leaders held a session of private talks. At a joint press conference following their talks, Mubarak reiterated Egypt's support for the PLO and for the "Palestinian people's efforts to establish just and comprehensive peace in the Middle East." Mubarak added: "The United States decided to initiate contacts with the PLO. This is a great change in the U.S. policy. We must keep this up, and the dialogue must continue. We must not listen to any biased opinions which seek to undermine this dialogue, because it is important." Mubarak also stated: "We want to establish a Palestinian state in accordance with Resolution No. 181 within the borders which existed in 1967. We want stability in the region, and we want peace to prevail in the whole region, including Israel" (*Middle East News Agency*, Dec. 18).

December 25. President Mubarak said in an interview with the Kuwaiti newspaper *Al-Anba* that he was willing to visit Israel if such a move could lead to negotiating an end to the Middle East conflict and a solution to the Palestinian problem. Mubarak became President in 1981 and has never visited Israel. Prime Minister Shamir said he would be "happy to receive" Mubarak. Mubarak also suggested in his interview that he played the major role in swaying Secretary of State George Shultz from his opposition to entering talks with the PLO. He said he asked Arafat to delay a press conference scheduled for the morning after his speech in Geneva until the evening, and then called Shultz to argue that Arafat had met the American conditions and that a dialogue should start with the PLO. The United States reversed its position shortly after Arafat reiterated the principal points of his speech (*New York Times*, Dec. 26).

December 27. Egypt put a damper on speculation that President Mubarak might visit Israel by linking such visit to Israel's willingness to talk to the PLO. "President Mubarak is prepared to

visit Israel if it is ready to start a dialogue with the PLO," the Egyptian Minister of State for Foreign Affairs, Boutros Ghali, said at a news briefing in Cairo meant to clarify Mubarak's remarks on December 25 that he might be willing to visit Israel (*New York Times*, Dec. 28).

December 28 (1). President Mubarak's political advisor, Osama El-Baz, speaking to foreign journalists, said an Israeli proposal to hold elections in the territories would be "a farce." He said Egypt considers peace initiatives about to be unveiled by Prime Minister Shamir "gimmicks intended to divert world attention from the real issues." He added that Egypt would not press the PLO for further concessions because the PLO had "done all it was required to do and all it could be expected to do." El Baz said Egypt hopes the Bush administration would use the recently-opened U.S. dialogue with the PLO to encourage the Palestinians to pursue moderation. At the same time, he said he hopes President Bush will persuade Israel to be "responsive and positive as the PLO proved to be" (*Wall Street Journal*, Dec. 29).

December 28 (2). The Israeli Army said it shot dead three suspected Arab infiltrators in the southern Negev who were believed to have infiltrated from Egypt (*JTA Bulletin*, Dec. 30).

December 30 (1).The Cairo establishment newspaper *Al-Akhbar* has accused Israel of being behind the crash of the American airliner over Scotland, in which 258 passengers and crew members were killed. In its editorial in tomorrow's edition, the paper says that the primary beneficiary from this incident is the party which is seeking in every way to prevent any dialogue from taking place between the Untied States, to which the aircraft belonged, and the PLO, using the U.S. warning that Washington will halt its dialogue with the PLO should there be any terrorist act attributed to the PLO. It is an inhumane method, which the Mossad, Israel's intelligence service, does not hesitate to use without any twinge of regret (*Middle East News Agency*, Dec. 29).

December 30 (2). President Mubarak told the West German magazine *Der Spiegel* that Prime Minister Shamir was stubborn and that the Camp David accords were out of date. He said an international conference involving Israel, Arab states and the five permanant members of the UN Security Council would have to take place before direct talks could begin with the Palestinians (*New York Times*, Dec. 31).

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January 4 (1). The final border marker between Israel and Egypt in the Taba area, No. 91, was put in place by an Israeli-Egyptian military team supervised by UN observers. The marker stands on a hilltop some 600 feet from the shoreline. The line from the marker to the sea has not yet been defined (*JTA Bulletin*, Jan. 6).

January 4 (2). President Mubarak received PLO leader Arafat in Cairo. The two leaders held a session of bilateral talks (*Radio Cairo*, Jan. 4).

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January 7. In a column in the Cairo establishment daily *Al-Jumhuriya*, Muhammad al-Hayawan derides Israel's complaints about Egyptian press attacks. According to al-Hayawan, the Egyptian Foreign Ministry correctly replies that Egypt's press is free—unlike Israel's own press which, he says, "is directed and censored." Al-Hayawan continues: "Israel complains, but the truth is stronger than any complaint. Israel still is the terrorist and racist regime led by five terrorists who practiced terrorism, admitted it, and are proud of it, and which itself was their qualification for leadership" (*Al-Jumhuriya*, Jan. 7).

January 10 (1). Israeli Foreign Minister Moshe Arens held two meetings with Egyptian Foreign Minister Abdel-Meguid in Paris. He told a news conference in Paris that they both wanted to finish the Taba affair "quickly and elegantly" (*JTA Bulletin*, Jan. 12).

January 10 (2). According to a report of the discussions conducted by a delegation of the foreign ministers of France, Spain, and Greece in Cairo that has reached Israel, President Mubarak said that the Palestinian demand for the "right of return" was totally unrealistic, and would have to be solved by means of financial compensation and resettlement in Arab countries. He said that the superpowers and the Arab world would have to bear the cost of solving the refugee problem (*Jerusalem Post*, Feb. 26).

January 20. Israel and Egypt concluded two days of talks on the Taba issue. A statement described the session as instructive and intensive with both sides presenting their positions. They agreed to meet again after consulting their governments. Chief Egyptian delegate Nabil al-Arabi said the most important point for his government was a date for an Israeli withdrawal and accused the Israelis of stalling. "The Israelis are dragging their feet," he said (*Washington Post*, Jan. 21).

January 26. Final negotiations over Taba, badly shaken by an Egyptian announcement that it would take possession of the territory on Jan. 29, returned to normal after Cairo backed off. Reuven Merhav, head of the Israeli negotiating team, called a news conference to report the Egyptians' change of mind. He said it was the result of strong Israeli opposition to the move and the Egyptians' understanding that such unilateral action would adversely affect the talks (*JTA Bulletin*, Jan. 27).

February 1 (1). Israel's Ministry of Foreign Affairs expressed satisfaction with the amount of the Egyptian compensation to the seven families of the Ras Burka murder victims of 1985. On January 29, a special Egyptian tribunal awarded the families a total of $700,000. The Ministry's Director General, Reuven Merhav, told the Knesset's Foreign and Security Affairs Committee that this sum was larger than that customarily awarded in Egypt in similar cases although it was lower than the usual in developed countries (*Davar*, Feb. 2).

February 1 (2). Deputy Director General of Israel's Ministry of Foreign Affairs Yitzhak Lior said that Egypt decided to cancel its annual international trade fair in Cairo because several states had demanded that Israel be removed from it and Egypt refused to accede to that demand (*Davar*, Feb. 2).

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February 16. President Mubarak told members of the Board of Governors of the American Jewish Committee that he would like to see an international peace conference that would shift quickly to a set of separate, bilateral negotiations between Israel and each of its neighbors, with no party having veto power over any of the individual agreements. The Palestinian delegation, he suggested, would be a mix of West Bank and Gaza residents and "outside" Palestinian exiles. The outsiders would not necessarily have to include Arafat, he indicated. But he warned that "the elimination of Arafat," either from the process or by the PLO's own rejectionists, would yield only more radical Palestinian positions (*JTA Bulletin*, Feb. 24).

February 20. Israeli Foreign Minister Moshe Arens had a longer-than-scheduled meeting with Egyptian President Mubarak in Cairo. By all accounts, their 75-minute conversation resulted in no breakthroughs, but it appeared to herald an improvement in Israeli-Egyptian relations. Arens is the first high-ranking Likud minister ever to be received by Mubarak (*JTA Bulletin*, Feb. 22).

February 22. Cairo served as the venue for a meeting between Soviet Foreign Minister Eduard Shevardnadze and Israeli Foreign Minister Moshe Arens, and, several hours later, between Shevardnadze and PLO leader Yasir Arafat who arrived shortly after Arens returned to Israel. After the talks, Arens immediately went to the Cairo airport for a send-off by Egyptian Foreign Minister Abdel-Meguid, who then waited at the airport to greet Arafat, who arrived from Baghdad. Arens told reporters that Abdel-Meguid had accepted an invitation to visit Israel (*Washington Post*, Feb. 23).

February 23. President Mubarak received Israeli President Chaim Herzog in his hotel suite in Tokyo. Herzog emerged from the 45-minute meeting saying he was pleased with the talks. An Egyptian spokesman told reporters that the two leaders, both in Tokyo to attend the funeral of Emperor Hirohito, had agreed to "keep the momentum" in peace efforts (Tokyo *KYODO* in English, quoted in *FBIS*, Feb. 24).

February 26 (1). Israel and Egypt signed an agreement returning Taba to Egyptian control. The agreement was approved earlier in the day by Israel's inner cabinet. Witnessed by the U.S. diplomatic delegation that brokered the settlement, the two countries signed four agreements at a ceremony at Taba's Sonesta Hotel. The first turned over the hotel for a reported $37 million and nearby holiday camp for $1.05 million to Egypt's Tourism Ministry, on condition that Sonesta owner Eli Papouchado be allowed to operate the hotel for the next 20 years and that Israelis staying there be able to pay their bills in Israeli shekels. The second agreement stipulates that Israel will provide the site with water, electricity and phone lines. The third provides free access to Israelis with valid passports. And the fourth reaffirms Egyptian sovereignty over the area (*Washington Post*, Feb. 27).

February 26 (2). In an article in the Cairo weekly *October*, Dr. Hussein Mu'nis writes: "If we should want to become a power, we would become a power, just as we defeated Israel when we wanted to defeat it. Nobody in the Arab world other than ourselves has managed to break Israel,

and just as we once broke it, we will be able to break it again. And there is no avoidance of breaking Israel again, and this time there is a need to break it completely, because Israel is a dangerous viper in our midst. Last time we cut off the wicked viper's tail, but next time we will have to crush its head" (*October*, Feb. 26).

March 9. Egypt has made a major effort to improve its ability to produce poison gas by acquiring the main elements of a plant from a Swiss company, Swiss and American officials say. According to these officials, the gas plant is expected to be installed at Abu Zaabal, north of Cairo, and will be part of a major military-industrial complex. A spokesman for the Egyptian Embassy in Washington, Mohammed Wahby, denied that Egypt plans to build a chemical-weapon plant. American officials say Egypt has the ability to produce mustard gas and nerve gas (*New York Times*, March 10).

March 13. President Mubarak arrived in West Germany, his last stop on a European trip. He repeated Egypt's traditional positions regarding the peace process and the convening of an international conference, and stated that Egypt supports turning the Middle East into a nuclear- and chemical-weapon-free zone (*Middle East News Agency*, March 13).

March 15 (1). Egypt took control of Taba from Israel. Some of the 200 Egyptian workers, sightseers and border policemen shouted *Allahu akbar*, or "God is great," as the flag of Egypt was raised over Taba. Some of them also chanted, "Today Taba, tomorrow Palestine" (Editorial Notebook, *New York Times*, March 22). Egyptian workers put finishing touches on a new border gate and immigration building. Egyptians were jubilant, running up the rocky hills overlooking the Red Sea and roaming curiously around the hotel Avia Sonesta grounds (*Washington Post*, March 16).

March 15 (2). Two Palestinians sneaked across the Egyptian border and hurled a hand grenade at an Israeli army post in the Gaza Strip before being wounded and captured. No Israeli soldiers were hurt. The commander of the IDF southern region, General Yitzhak Mordechai, praised the Egyptian efforts to intercept the infiltrators and to capture their guide and another accomplice (*Davar*, March 16).

March 16. A commentator at the Egyptian radio station *Sawt al-Arab* said that even the U.S. Administration views the "Israeli occupation forces" as "beasts of prey pressing their claws into the Palestinians' flesh and perpetrating crimes worse than those of the Nazis, the fascists, and all the racists regimes throughout history" (*Sawt al-Arab*, March 16).

March 17. In a telephone directory just published by an Egyptian newspaper, the list of embassies skips Israel (*New York Times*, March 19).

March 19. President Mubarak flew to Taba for official ceremonies marking the enclave's return to Egyptian control. At a speech in Taba, he said the resolution of the dispute over the area serves as a model of cooperation between Israel and the countries of the region (*JTA Bulletin*, March 20).

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March 20 (1). In a speech to a joint session of the People's Assembly and the Consultative Council in Cairo, President Mubarak said: "... we must mention that Israel ultimately honored its promises, and chose to commit itself to the provisions of the peace accord and the arbitration ruling [on Taba]. Thus, it has contributed to the achievement of this positive result, which will reflect well on the atmosphere of peace and conciliation" (*Cairo Domestic Service*, March 20).

March 20 (2). Speaking to correspondents of foreign news agencies in Cairo, Foreign Minister Abdel-Meguid praised the intifada, affirming that no one can stop it, and that 20 years of Israeli occupation could not end Palestinian resistance. He affirmed that the intifada will not stop until the Palestinian people regain their legitimate rights (*Middle East News Agency*, March 20).

March 20 (3). Engineer Mahir Abazah, Egyptian Minister of Electricity and Energy, denied a Gulf newspaper report that Egypt and Iraq are currently studying plans for rebuilding the Iraqi nuclear reactor destroyed by Israel in 1981. He said that this subject had not yet been discussed. The Bahraini newspaper *Al-Ayyam*, which published the report March 19, said this cooperation falls within the framework of a pan-Arab project being studied by nuclear energy experts in Egypt to build experimental nuclear reactors and nuclear power stations in accordance with a joint plan adopted by the Arab Cooperation Council countries(*Middle East News Agency*, March 20).

March 22. In an interview with Israeli journalists in Cairo, President Mubarak said that the international conference favored by Egypt is a "psychological umbrella" under which a meeting of five to six states would be held. The conference, he added, would then be divided into negotiation groups and each party would cooperate with the other. He called on Israel to approve the holding of the international conference, and emphasized that there could be no solution without the PLO. Asked if a meeting between himself and Prime Minister Shamir would surmount the difficulties obstructing the convening of the international conference, Mubarak said: I offered to visit Mr. Shamir if this would help solve the issue, but his answer was no to the international conference (*Middle East News Agency*, March 22).

March 25. Egypt's President Mubarak, Jordan's King Hussein, and PLO leader Arafat held a summit in Ismailia, Egypt. At the end of the meeting, Mubarak said "the main purpose" of his upcoming talks with President Bush in Washington in April would be to organize an international conference (*Washington Post*, March 26).

March 26. Israel's Central Bureau of Statistics reported that during the last three years, ca. 15,000 Egyptian tourists arrived in Israel. During the same period, 231,000 Israelis visited Egypt (*Ma'ariv*, March 31).

March 31 (1). King Fahd of Saudi Arabia would up a three-day visit to Egypt by saying he would support Egypt's return to the Arab League. Egypt was suspended 10 years ago for making peace with Israel. "The Saudi side said that Egypt's presence within the Arab fold was indispensable support for joint, concrete Arab work which would strengthen Arab solidarity in achieving the rights of the Arab nation," a joint Saudi-Egyptian statement said. King Fahd indicated on

April 30 in a meeting with Egyptian editors that he was prepared to support a change in the Arab League rules to permit Cairo's readmission by majority vote—a move to circumvent objections by Libya and possibly Syria. King Fahd's visit to Egypt was the first since the conclusion of the Egyptian-Israeli peace treaty in 1979 (*New York Times*, Apr. 1).

March 31 (2). Avi Pazner, Prime Minister Shamir's spokesman, told reporters that Shamir, working through the Egyptian ambassador in Israel, had asked President Mubarak to delay his departure from Washington for a day so that Shamir, Mubarak, and President Bush could hold an informal summit on ways of restarting the Middle East peace process. However, Pazner said, the Egyptians refused (*Washington Post*, Apr. 1).

March 31 (3). The Director General of Israel's Foreign Ministry, Reuven Merhav, visited the Bir al-Sultan church in Jerusalem. To prepare for his upcoming visit to Cairo, Mr. Merhav has been examining the protracted conflict between the Egyptian Copts and the Ethiopians over control of the small church, which is situated in East Jerusalem. After the settlement of the Taba issue, the Egyptians now intend to raise to the top of the agenda the Coptic church's claim that Israel has encouraged the Ethiopians to take over the holy structure. Israeli officials expressed hope that the Egyptians would understand the sensitivity of Israeli-Ethiopian relations (*Ha'aretz*, Apr. 2).

April 3 (1). In a statement at the White House following his meeting with President Bush, President Mubarak said that the settlement of the Arab-Israeli conflict "should be achieved through direct negotiations between Israel and all Arab parties, within the framework of the international peace conference" (*New York Times*, Apr. 4).

April 3 (2). A senior administration official said at a briefing in Washington that President Mubarak "very emphatically made clear that his government was not, repeat not, involved in the production of CW [chemical warfare] weapons" despite recent U.S. news media reports that Egypt had sought to obtain such a factory from a Swiss company (*Washington Post*, Apr. 4).

April 4 (1). President Mubarak became the first Arab leader to publicly endorse the Bush administration's cautious approach to the peace process, saying he agreed that "a good atmosphere" should be created first before negotiations could begin. Following talks with Secretary of State Baker, Mr. Mubarak also left open Egypt's position on Israeli Prime Minister Shamir's proposal for holding elections among Palestinians in the territories, at least until it could be determined whether this would "help the peace process." Asked what he thought the next concrete step in the peace process should be, he replied, "negotiations under the umbrella of the international conference." He also took issue with Mr. Shamir's call for an end to the intifada before elections. "Neither you nor anybody will be able to stop the intifada," he said (*Washington Post*, Apr. 5).

April 4 (2). In an address to the Egyptian-American Chamber of Commerce in Washington, President Mubarak stated: "I can't ask the administration of the United States to exert any pre-

ssure on anybody, because exerting pressure will never solve the problem. It's a matter of conviction." Mr. Mubarak added: "So, the international conference is not going to impose any solutions on the parties. The party will start the conference, some speeches, then will be divided immediately to different groups negotiating the problems. And this is the direct negotiation which Mr. Shamir wanted" (Transcript, Apr. 4).

April 4 (3). In a conversation with *New York Times* columnist William Safire at a Washington reception, President Mubarak asked him to tell Prime Minister Shamir that "if he is willing to have elections under international supervision" in the territories, Mr. Mubarak will "help to the maximum" (*New York Times*, Apr. 6)

April 4 (4). Large-scale maneuvers carried out by the Second Field Army Corps units in Sinai were concluded. For the first time they included naval landings and blocking a naval attack with the participation of Air Force elements backed by units of shock troops, paratroopers, engineers, and chemical warfare elements. The maneuvers lasted 5 days and took place in 3 stages. 32 naval units and 55 aircraft conducted over 120 sorties, in addition to the various combat groups that participated in the maneuvers (*Al-Akhbar*, Cairo, Apr. 5).

April 5. In an interview with CNN "International Hour," President Mubarak expressed reservations about Prime Minister Shamir's idea of Palestinian elections in the territories, stating: "If you are just looking to make elections in the Western Bank (*sic*) and the Gaza with the people there alone, neglecting those who are outside it will be a grave mistake." He said he thought Israel was trying to "select some representative"(*sic*) from the territories in order to bypass the PLO, and he did not think that "this is a wise idea." Mr. Mubarak added: "I'm not persuading (*sic*) against it but I know perfectly well that this would not work out."

In an address to the Foreign Policy Association in New York, Mr. Mubarak explained his refusal to meet with Prime Minister Shamir as follows: "I'm ready to meet with Mr. Shamir. I have no sensitivity in this sense. But, the point is there should be something to tell the people we met and there is hope for peace. But, he's just closing all the doors. If the door is close, what I'm going to do?" In trying to allay Israeli fears concerning an international conference, Mr. Mubarak described it as merely "an umbrella—good excuse for all the parties to join the negotiations" (transcripts, Apr. 5).

April 12 (1). President Mubarak returned to Cairo from Amman after a brief visit to Jordan. He said he and King Hussein discussed Prime Minister Shamir's proposals. Responding to a question, Mr. Mubarak said the PLO might accept the idea of elections under international supervision. He added that the PLO must attend peace negotiations because the Palestinians "are the owners of the land" and are therefore the only ones entitled to make concessions (*Middle East News Agency*, Apr. 12).

April 12 (2). Egypt paid partial compensation to the families of the 1985 Ras Burka massacre. A last-moment hitch over contradictory regulations in the Israeli and Egyptian legal systems prevented a final settlement. Egyptian Ambassador Mohammed Bassiouny came to the Ministry of

Foreign Affairs in Jerusalem and paid out about half of the approximately $700,000 in compensation. Bassiouny also presented the families of the Ras Burka victims with an official letter of apology from his government. The matter was to be discussed in Cairo by senior Israeli and Egyptian officials (*JTA Bulletin, Jerusalem Post*, Apr. 14).

April 15 (1). President Mubarak held a private round of talks with PLO leader Yasir Arafat at the presidential palace in Cairo (*Middle East News Agency*, Apr. 15).

April 15 (2). President Mubarak removed Defense Minister Abu Ghazala from his post and designated him as an assistant to the president without portfolio. The move follows allegation that Abu Ghazala was involved in a scheme to illegally divert U.S. missile technology to Egypt and that the Egyptisn military was seeking a chemical weapons production capability (*Washington Post*, Apr. 16).

April 18. Israel's director general of the Ministry of Foreign Affairs Reuven Merhav returned from a 5-day visit to Cairo. During the visit, Egypt's foreign minister Abdel-Meguid accepted the invitation of his Israeli counterpart, Moshe Arens, to visit Israel. Merhav explained to Abdel-Meguid Prime Minister Shamir's plan for elections in the territories and said Israel was doing its best to achieve peace. Merhav said his talks in Cairo were good and useful. Abdel-Meguid expressed regret over the "tragic events in the occupied territories." Merhav said the Egyptians also accepted Israel's requests regarding freedom of navigation in the Gulf of Eilat and resumption of the searches for the bodies of 19 Israeli soldiers missing since the 1973 war (*Ha'aretz*, Apr. 18; *Al Hamishmar*, Apr. 19).

April 21. In an interview with the Cairo weekly *Al-Musawwar*, President Mubarak characterized Israel's elections proposal as "a kind of prevarication and procrastination." He raised a number of questions regarding the proposal: "What will the elections be for? Under what laws are they to be held? What are their mechanics? Who will be permitted to stand and who will be barred? And will the elections produce local councils that will run the West Bank and Gaza Strip or will they be just for choosing a Palestinian delegation from inside the occupied land to negotiate with the Israelis?" Mr. Mubarak added: "There are numerous questions that need to be answered, not least the one posed by the Palestinians: How can elections be held under Israeli occupation? The PLO has emphasized the need for an Israeli withdrawal before elections are held. I think this is a correct demand and we support it" (*Al-Musawwar*, Apr. 21).

April 24. The PLO office in Alexandria and the Fatah information office in Cairo were reopened. Zuhdi al-Qidrah, Fatah representative and PLO charge d'affaires in Cairo, inaugurated both offices (*Middle East News Agency*, Apr. 24).

April 27. Egypt's state minister for military production, Dr. Jamal al-Sayyid, told a press conference in Baghdad that his country had no plans to produce nuclear or chemical weapons. He stated that his country and Iraq are cooperating in the production of weapons. At the same press conference, Egypt's Ambassador in Baghdad noted that Egypt has signed all the international

treaties banning nuclear weapons and has allowed an inspection of its facilities by world organizations. He further denied allegations of a joint Egyptian-Iraqi-Argentinian effort to produce a missile with a nuclear warhead, calling them tendentious rumors (*Gulf News Agency*, Apr. 27).

May 6. In an interview with the Kuwaiti newspaper *Al-Anba*, President Mubarak stated in reference to the Camp David accords: "Had we succeeded in implementing the principles contained in that document, we would now be in a much better situation than the situation in which we find ourselves today" (*Al-Anba*, May 6).

May 13. The organization of Arab Petroleum Exporting Countries agreed to readmit Egypt, whose membership was suspended because of its peace with Israel in 1979. The 9-member group made the decision at a meeting in Kuwait (*New York Times*, May 14).

May 14. Minister of State for Military Production Dr. Jamal al-Sayyid affirmed that Egypt's plan to produce the U.S. M-1 tank was still on track. He denied reports that Egypt had retracted its plan to produce the tank due to the high cost of production (*Middle East News Agency*, May 14).

May 15. Although the PLO has dismissed Israel's proposal for elections in the territories as a "farce," Egyptian officials say the Israeli proposal is "the only thing on the table" and will not be rejected out of hand. At a meeting in Cairo, the Egyptian Foreign Minister, Abdel-Meguid, urged a State Department official, Dennis B. Ross, to press Israel to broaden the elections proposal as "part of a wider package" of guarantees and concessions to the PLO (*New York Times*, May 17).

May 16 (1). Morocco's King Hassan telephoned President Mubarak and conveyed to him an invitation to Egypt to attend the Arab summit meeting to be held in Casablanca on May 23. The King also informed Mr. Mubarak that the Egyptian Foreign Minister was invited to attend the meeting of the Arab foreign ministers to be held on May 21 to prepare the summit (*Cairo Domestic Service* in Arabic, May 16).

May 16 (2). Egypt completed the transfer of compensation payments to the families of the Ras Burka victims which had been delayed for technical legal reasons. The family representatives met in Jerusalem with an Egyptian official who handed them the balance of the compensation payments (*Davar*, May 17).

May 21. Egypt officially resumed its full membership in the Arab League, following an absence of more than 10 years. Dr. Abdel-Meguid, Egypt's Foreign Minister, attended the meetings of the Arab foreign ministers taking place in Casablanca to prepare for the Arab summit (*Middle East News Agency*, May 21).

May 23. President Mubarak addressed his first Arab summit and urged Arab leaders to help the Palestinians find independence from Israeli occupation. In a 30-minute speech at the royal

palace in Casablanca, Mubarak stressed that the Arab world should respect the Palestinians' "freedom of choice." He defended the Palestinians' right "to resist occupation as other countries have."

A few hours later, Morocco's King Hassan arranged a meeting between President Mubarak and Syrian President Hafez Assad. According to delegation members who witnessed the meeting, Assad and Mubarak embraced and talked quietly for some time before they were joined by Libyan leader Moammar Qaddafi, who also embraced Mubarak (*New York Times*, May 24; *Washington Post*, May 24, 25).

May 26. The final communique of the Arab summit in Casablanca in which Egypt participated, expressed strong support for the positions of the PLO as enunciated at the November 1988 Palestine National Council meeting in Algiers. Regarding the Israeli proposal for elections in the territories, the communique stated: "The conference supported the Palestinian position on the issue of elections, which states that they are to be conducted following the Israeli withdrawal from the occupied Palestinian lands, under international supervision, and within the framework of the comprehensive peace process, since the Israeli plan is meant to harm the uprising and to bypass the PLO and the legitimate national rights of the Palestinian people" (transcript, May 26).

May 31. A senior Libyan official conferred in Cairo with Egyptian officials amid signs of an emerging reconciliation between the two countries. But despite the presence in Cairo of Ahmad Qaddaf-al-Dam, Col. Qaddafi's cousin and security chief, and the reopening of the Egyptian-Libyan border on May 29, Egyptian officials made clear their suspicions of Libya. The Libyan official was accompanied by colleagues who discussed security and civil aviation problems with their Egyptian counterparts (*Washington Post*, June 1).

June 10. The Egyptian government formally apologized to Israel for the slaying June 3 of the Israeli fisherman Shlomo Yisraeli by the crew of an Egyptian patrol boat near Coral Island in the Gulf of Eilat. The incident occurred when Mr. Yisraeli's fishing boat entered Egyptian waters and ignored orders to halt. The Israeli government protested the Egyptian action, saying that even if the boat had violated Egyptian law, there was no justification for opening fire on a civilian vessel that posed no threat whatever to the Egyptians. Hundreds of Israelis held an angry demonstration in front of the Egyptian consulate in Eilat following Mr. Yisraeli's funeral June 5 (*New York Times*, June 4; *Ha'aretz*, June 6, June 11).

June 12. Israel rejected an Egyptian offer to act as a go-between with the PLO and called on Egypt to urge Palestinians to accept its proposals for elections in the territories. A message from Egyptian President Mubarak to Prime Minister Shamir containing the offer was hand-delivered to the Israeli leader by Egypt's minister of state for foreign affairs, Butrous Ghali. Mr. Ghali is the first senior Egyptian official to visit Israel since the beginning of the intifadah in December 1987 (*Washington Times*, June 13).

June 13. At a meeting in Cairo with Arafat, Egypt's minister of state for foreign affairs Dr. But-

rous Ghali assessed the results of his recent visit to Israel and the contents of his meeting with Israeli officials. Arafat arrived in Cairo on the 12th and held talks with President Mubarak (*Middle East News Agency*, June 13).

June 22. In an editorial entitled "The Tribulations of Palestinian Childhood," Cairo's semi-official newspaper *Al-Ahram* writes: Israel's "operations of oppression are increasing, especially against [Palestinian] children. The methods of oppressing them are continuing in a manner unprecedented in contemporary history. The issue does not rest merely with killing, or burning in gas chambers; nay, it has gone beyond these hellish methods, which Israel screamed about to the whole world when the Nazis used them against the Jews, to what looks like sadist torture methods. These methods cannot be executed other than by sick criminal minds. They include such practices as dismembering the limbs, decapitations, electrocuting certain parts of the body, and spreading shrapnel inside the body by using scatter bullets. All these are methods to deter, paralyze, and create permanent handicaps. As for direct killing, it also happens of course by using gas and weapons. However, the occupation has other hellish methods such as burning where arrested or held and burying children alive," (*Al-Ahram*, June 22.)

June 29. Lebanon has resumed diplomatic relations with Egypt, cut off after the conclusion of the Egyptian-Israeli peace treaty in 1979 after signing the peace treaty with Israel (*Jerusalem Post*, July 7, quoting *Reuter*.)

July 2. At a meeting in Cairo with a Congressional delegation led by Congressman Bill Gray (D-PA), President Mubarak handed the visitors a 10-point program in the form of Egyptian reservations to the Israeli proposal for elections in the territories. The program calls for an Israeli commitment to accept all results of an election, the positioning of international observers to monitor the voting, a form of immunity from prosecution for elected Palestinian representatives, and the withdrawal of Israeli troops from balloting areas during the election. It also calls for an Israeli commitment to start talks on a final settlement by a certain date, an end to all Israeli settlement activity, complete freedom of speech for all candidates, a ban on the entry of Israelis to the territories on election day, the participation of Palestinians in East Jerusalem in the voting, and Israeli acceptance of the principle of trading land for peace as part of any final settlement. Notably, the Egyptian conditions did not specifically insist on a Palestinian state or a role for the PLO in the elections (*New York Times*, Aug. 15; communication from Rep. Gray's office).

July 6. Arab officials in charge of the economic boycott against Israel removed Egypt from their blacklist. Egypt was blacklisted in 1979 after signing the peace treaty with Israel (*Jerusalem Post*, July 7, quoting *Reuter*).

July 10 (1). Egypt has notified Israel that the new conditions attached to the Israeli peace plan place new obstacles to the peace process and will increase tension and violence in the territories. This was stated by Dr. Abdel-Meguid, Egypt's foreign minister, who said that Israel was informed of this position during his meeting in Cairo with Eli Rubinstein, secretary of the Israeli government, and Shimon Shamir, the Israeli Ambassador in Egypt (*Middle East News Agency*, July 10).

July 10 (2). In an interview with *Al-Ahram*, President Mubarak said that Egypt is currently waiting for Israel's response to the reservations it made regarding some points in Shamir's initiative. Mubarak also noted the importance of convincing the creditor industrial states of the need to reduce high interest on the debts in order to help the debtor countries to repay them and to prevent the possibility of suspending repayment, threatening the flow of capital. He said that Egypt's political importance in the region and its ability to move in the Arab and international arenas are the two influential factors prompting the countries of the world to assist Egypt (*Middle East News Agency*, July 10, quoting *Al-Ahram*, July 11).

July 12 (1). In an interview with the London Arabic newspaper *Al-Majalla*, President Mubarak said in reply to a question regarding the consequences of the Likud party's added conditions to the Israeli government's peace initiative: "The points made by the party are not binding on the government. What the [Israeli] government agreed to is what it stands for. That is what we have been told." Mubarak added that as far as he knew, the previous formula still stands, and stated: "The PLO has reservations, we have reservations, and the United States itself has reservations regarding Shamir's plan—for example, the status of East Jerusalem inhabitants in the elections, the freedom of the elections, and the construction of settlements. There are several points" (*Al-Majalla*, July 12-18).

July 12 (2). Arafat and Mubarak held talks in Cairo. According to a PLO spokesman, the discussions between the two leaders were "frank and positive" and centered on the upcoming meetings of Mubarak in Paris with the presidents of France and the United States (Paris Agence France-Presse in English, July 12).

July 19 (1). Two Sephardic leaders from Israel met with President Mubarak, who had invited them to Egypt to discuss the peace process. Interior Minister Arye Deri, a member of the ultra-Orthodox Shas party, and Ovadia Yosef, the former Sephardi chief rabbi of Israel, met with Mubarak near Alexandria. Deri presented Mubarak with a letter from Prime Minister Shamir containing a general reaffirmation of Israel's commitment to the peace process. Mubarak is said to have reaffirmed Egypt's commitment, but to have expressed dismay over the hardline constraints on the Israeli government's peace plan adopted by the Likud party. Mubarak also said he saw no point in meeting with Shamir, since a meeting with a prime minister requires an assured positive outcome and such outcome is unlikely given Shamir's hardline statements. According to Israeli sources, Mubarak said Israel should talk with two prominent Palestinian-American academics—Edward Said of Columbia University and Ibrahim Abu-Lughod of Northwestern—who are members of the PLO's Palestine National Council, as well as with local leaders in the territories (*JTA Bulletin*, July 20, 21; *Ma'ariv*, July 21).

July 19 (2). An official Egyptian radio station accused Israel of undertaking delaying tactics to gain time. But, according to a Radio *Sawt al-Arab* commentator, since the beginning of the intifada time is no longer on Israel's side, and "the world has learned that the Israeli entity is racist, and worse than Nazism." Israel should give up its expansionist desires in order to get out of its predicament (Radio *Sawt al-Arab*, July 19).

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EGYPT UPDATE: A PERIODIC SURVEY OF EGYPTIAN-ISRAELI RELATIONS

No. 3

by

Phil Baum and Raphael Danziger

Commission on International Affairs

AMERICAN JEWISH CONGRESS
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EGYPT UPDATE

A PERIODIC SURVEY OF EGYPTIAN-ISRAELI RELATIONS

NO. 3

In our May 1984 memorandum "The Decline in Egyptian-Israeli Relations," we promised to complement our initial analysis with periodic updates of Egyptian-Israeli relations. The first update was issued in November 1984, and the second in March 1985. The following is the third of these periodic reports.

Our purpose is to keep the Jewish and general public informed of the major developments in this crucial area and to alert Congress and the Administration to any changes in Egypt's conduct toward the Camp David accords and the peace treaty with Israel.

You will note that our report is in two parts. The first is a brief analysis of Egyptian-Israeli relations since March 1985. The second part of our update is a documented chronology of specific acts and statements that bear upon these relations. As you will see, our chronology records both positive and negative developments.

A. Analysis

Despite a number of still unresolved and troubling issues, the Israeli inner cabinet's unanimous acceptance, on January 13, 1986, of a conditional process of arbitration concerning the Taba border dispute with Egypt (text in Appendix I) and Cairo's guardedly positive response to this decision may yet lead to substantially improved Egyptian-Israeli relations. The prospects for such improvement follow a slow but steady thaw in the relations between the two countries as well as recent hints of a partial softening of Egypt's rigid position toward procedural (although not substantive) aspects of the overall Middle East peace processs.

On the bilateral level, it must be emphasized that the Egyptians have thus far failed to address Israel's main grievances. Despite frequent explicit promises, President Mubarak has refused to return the Egyptian Ambassador to Israel and to conduct a summit meeting with Prime Minister Peres. Equally unambiguous promises to end the publication of anti-Semitic articles and cartoons in the Egyptian press were violated as well. Particularly troubling were the outburst of such publications on the occasion of President Reagan's controversial visit to the Bitburg cemetery in West Germany (May 2, 6, 7, and 8), the vicious attacks on Israel following its raid on the PLO headquarters in Tunis (Oct. 2, 4, 5, and 7), and the incitements against Israel shortly thereafter (Oct. 18-19 and 23). We note, however, the comment subsequently made by the Director-General of Israel's Prime Minister's Office Avraham Tamir that "hostile propaganda by the Egyptian media under government influence" had ceased (Nov. 28). Cultural ties between the two nations remain virtually frozen, and Egyptian tourism to Israel is still restricted. Egypt's efforts to block Uruguay's move of embassy from Tel Aviv to Jerusalem (March 18) were also inconsistent with the peace treaty. And the Egyptian handling of the Ras Burka murders has been less than satisfactory (see Oct. 6, Nov. 27, Dec. 28, and Appendix II).

At the same time, as recorded in our Chronology, Egypt during this period undertook substantive steps to improve its bilateral relations with Israel. Politically, high-level meetings and intensive negotiations, mostly on the Taba issue, were regularly held during the period. Egypt, however, briefly suspended the talks, as well as most other bilateral contacts, following the Israeli air raid on the PLO headquarters in Tunis in early October; Cairo agreed to resume the talks in mid-November. On several occasions, President Mubarak and Prime Minister Ali publicly praised Israeli statements and policies (March 3 & 4, Dec. 8). Israel was permitted to participate in the 18th International Fair in Cairo (March 9). A delegation of Egyptian scientists arrived on its first official visit to Israel (March 19). The Israeli Squash Rackets Association was invited to compete in Egypt in the first contact with Israel of its Egyptian counterpart (March 28). For the first time, Egyptian scientists attended a medical conference in Israel (April 29). President Mubarak approved long-delayed import licenses for goods from Israel (May 2). Energy cooperation between the two countries was strengthened (June 1). Egyptian travel companies were allowed to organize tour groups to Israel for the first time since 1979 (June 1985). An Egyptian official announced the lifting of all restrictions on Egyptian tourists visiting Israel (Aug. 28). Egypt and Israel agreed to cooperate in the resolution of various outstanding issues (Sept. 5). The two countries initiated an agreement to further tourist traffic between them (Sept. 25). And an Egyptian policeman who murdered seven Israeli tourists, including two women and four children, in the Sinai resort Ras Burka on October 5 was sentenced to life imprisonment with hard labor (Dec. 28) despite heavy pressures by the opposition to release him immediately (the policeman was later found hanged in his prison cell in an apparent suicide).

More important, as a result of their high-level negotiations, Egypt and Israel appeared to move closer to a "package deal" which would involve the submission of the Taba issue to an international arbitration team in reciprocation for the return of the Egyptian Ambassador to Israel, a Mubarak-peres summit, and other Egyptian steps toward normalization of relations (see December 12). Although both Egypt and Israel seemed ready to make substantial concessions, however, it appeared that formidable obstacles must yet be overcome before an agreement could be concluded.

In our previous update (March 1985), we reported that Egypt had made equally significant progress in its position toward the procedural aspects of the peace process. At that time, President Mubarak had forthrightly called for direct negotiations between Israel and a joint Jordánian-Palestinian delegation that would not have to include known PLO members. During the period under review, Egypt's position on this issue hardened considerably. Cairo vehemently insisted on the inclusion of the PLO in the peace process even if it did not explicitly accept UN resolutions 242 and 338 (March 3, 6, and 13, Nov. 5), and Egypt's Prime Minister Ali disclosed the intimate nature of Egyptian-PLO relations (March 5). Egyptian officials also indicated that Egypt would not participate in Arab-Israeli peace negotiations (Oct. 22).

Both Egypt's insistence on PLO participation in the peace talks and its own refusal to take part in them are patently inconsistent with Cairo's obligations under the 1978 Camp David accords.

There were, however, some possible significant--although far less than conclusive--indications that Egypt's commitment to the PLO's negotiating role was less than absolute. Members of an American Jewish Congress fact-finding mission reported that Egyptian officials had "strongly hinted" they might drop the PLO if Arafat refused publicly to accept Israel's right to exist if and when a meeting between U.S. officials and a Jordanian-Palestinian delegation was held (Sept. 11), and Mubarak said in an interview with NBC-TV that Arafat would be a "big fat loser" if he did not accept UN resolutions 242 and 338 within one or two months (Dec. 23). While both of these non-binding messages were delivered to Westerners, it is particularly encouraging that Mubarak told the Kuwait News Agency in no uncertain terms that Egypt would not abrogate the Camp David accords (Nov. 22).

While some faint encouragement may thus be derived from Egypt's position toward procedural aspects of the peace process, no parallel progress could be discerned with regard to its position toward the substance of this process. In total contradiction of the Camp David formula requiring the establishment of a five-year Palestinian autonomy in the territories prior to the conclusion of a negotiated final settlement, Mubarak once again publicly expressed support for a PLO-dominated Palestinian state (March 12). The fact that he did so at the White House in a manner clearly designed to gain maximum international publicity further aggravated this departure from the Camp David stipulations.

On the whole, then, Egypt's position may be summed up as one of significantly--albeit not fundamentally--improving bilateral relations with Israel, while holding out the tantalizing prospect of a real breakthrough in these relations if the Taba issue were submitted to some form of international arbitration; and continuing to contravene the Camp David obligations toward both the procedural and the substantive aspects of the peace process, while providing some faint encouragement on procedure. The following considerations are proposed as possible explanations of this uneven record.

Bilaterally, Egypt appears determined to preserve the peace treaty with Israel which has enabled it to initiate a badly needed economic recovery both by preventing further costly wars and by opening the door to massive American aid. Mubarak's decision partially to thaw relations with Israel seems to be based mainly on considerations of domestic Israeli politics. Clearly preferring Peres' Labor party to Shamir's Likud, he has sought to strengthen Peres' domestic position by "rewarding" him for what he regards as moderate Labor policies--particularly the Israeli withdrawal from Lebanon. Furthermore, since the

intrinsically minor Taba issue has become for the Egyptians a matter of national pride, Mubarak had apparently decided to improve Egyptian-Israeli relations in order to facilitate an Israeli cabinet decision to submit the issue to arbitration as Egypt had consistently demanded. In all likelihood, Peres would not even have bothered to try to move his reluctant Likud coalition partners toward accepting arbitration, let alone managed to get the Likud's conditional approval for such procedure on January 13, if not for Cairo's tangible bilateral gestures toward Israel.

If Mubarak's perception of Egyptian interests clearly requires the preservation of the peace treaty, and to a lesser extent a partial improvement in bilateral relations with Israel, he has not displayed the slightest interest in reviving the Camp David-stipulated autonomy talks from which he withdrew in 1982. The reason seems quite apparent. Not only did he come to regard the gap between the two countries' position on autonomy as virtually unbridgeable, but the pressures on him against resuming these talks far outweighed the incentives for doing so. It was clear that the talks' suspension in no way endangered the peace treaty with Israel or U.S. aid. In fact, since 1984, not only the United States but the Israelis as well had sought to initiate talks between Israel and a Jordanian-Palestinian delegation, having dropped previous insistence both on Egyptian participation and on discussing autonomy. However, as Mubarak made clear to the AJCongress delegation that met him in Cairo, "Camp David" has become such a hateful term in the Arab world and in Egypt itself that resuming negotiations under its terms would undoubtedly subject Mubarak to extremely dangerous reactions.

Since Israel itself no longer insisted on a strict implementation of the Camp David formula either in procedure or in substance, the mere fact of Egypt's withdrawal from it had not fatally damaged the process. A more urgent problem was Egypt's endorsement of the PLO--an organization totally opposed not only to Camp David but also to Israel's very existence--as an intimate associate with permanent presence in Cairo, as a participant in the prospective peace talks, and as the leader of a Palestinian state in the West Bank and Gaza insisted upon by Egypt as the inevitable outcome of the peace process. There seems to be one paramount reason for Mubarak's courting of the PLO. Having been declared by the entire Arab world as the sole legitimate representative of the Palestinian people, the PLO's cooperation with Egypt was viewed by Mubarak as the necessary readmission ticket to the Arab fold. This cold, utilitarian approach helps explain why Mubarak began to hedge his bets on the PLO toward the end of the period, when the organization was widely discredited in the Arab world and beyond for the Achille Lauro affair and for Arafat's weakness and indecisiveness. Clearly, Mubarak wants to expand the peace process-if only to alleviate the burden of Egypt's being the only Arab state at peace with Israel. But unless countervailing pressures are brought to bear, as long as the PLO remains a going concern he is almost certain to continue his cooperation with it to the detriment of the peace process.

Washington clearly has a vital role to play in all of this. Bilaterally, it could help re-energize the peace treaty by urging Cairo to accept Israel's January 13th conditions for arbitration on Taba, none of which go beyond the treaty provisions to which Egypt had already committed itself in 1979. And in the wider context of the peace process, the United States should continue to encourage the Egyptians to turn away from the destructive PLO in favor of supporting direct negotiations between Israel and the Jordanian-Palestinian delegation without PLO representatives. Egypt's conduct both with regard to relations with Israel and to the peace process has substantially improved. With American encouragement it may well move even further; given Egypt's pivotal importance in the Arab world, a firm pro-peace position on its part may even lead to a genuine breakthrough in the seemingly intractable Arab-Israeli conflict.

At the same time, as the now retired former Egyptian Ambassador to Israel Sa'd Murtada candidly and perceptively remarked to a reporter of the Hebrew daily Ha'aretz last June, Israel cannot expect a complete, genuine normalization of relations with Egypt even if the Taba issue is fully resolved. As long as the Palestinian problem continued to fester, Murtada explained, establishing friendly relations with Israel would subject the Egyptian government not only to the wrath of the other Arab states, whose good will Egypt wants to cultivate in order to be readmitted into the Arab fold, but also to dangerous pressures from its own public. Indeed, the growing strength of Syria's rejectionist regime has hardened the Arab opposition to Egypt's peace treaty with Israel. And the anti-Israel demonstrations outside the Cairo synagogue (May 15); the assassination in Cairo of the Israeli diplomat Albert Atrakchi (Aug. 20); the murder by an Egyptian policeman of seven Israeli tourists at Ras Burka (Oct. 6); and particularly the violent demonstrations and opposition press editorials in support of the murderer (Dec. 28), indicate the depth of the hostility harbored by many Egyptians toward Israel and of the complicated position in which the Egyptian government now finds itself. A sober and measured assessment of possibilities, therefore, suggests that even though there may be some improvements in bilateral Egyptian-Israeli relations, perhaps even including the return of the Egyptian Ambassador to Israel, it is unrealistic to expect soon anything more than careful and guarded relations between the two countries.

Phil Baum

Raphael Danziger

January 1986

B. Chronology, March 1 - December 31, 1985

March 1. In an interview with Washington Post, Israeli Prime Minister Shimon Peres said that Egypt's President Hosni Mubarak's peace efforts were "by and large positive," adding that bilateral contacts have turned "an icy situation into a dialogue situation." But he said he had told Egyptian envoys he could not accept a Mubarak proposal for a three-stage negotiation that would begin with direct negotiations between the United States and a Jordanian-Palestinian delegation. "The problem is not to make peace between Jordan and the United States but between Jordan and Israel," he said, adding that leaving Israel out of such talks would amount to a new attempt by the Arabs to "convince Washington to commit the United States on behalf of Israel and twist Israel's arm...I said no to this." The three stages proposed by Mubarak were American talks with a Jordanian-Palestinian delegation; including Israel in those talks; and convening an international conference to ratify the agreements reached (Washington Post, March 2).

March 3. In an interview with Wall Street Journal, Egyptian Prime Minister Kamal Hassan Ali said Israel had taken "real steps" to improve life for Palestinians in the territories and to accept arbitration on the Taba border issue. Ali said Egypt wanted the United States to invite a Jordanian-Palestinian delegation to Washington for talks and drop its insistence that the PLO accept Resolution 242. Ali said Egypt would again ask the United States to talk directly to the PLO (Wall Street Journal, March 4).

March 4. In an interview with Jerusalem Post, Egypt's Foreign Minister Esmat Abdel-Meguid stated: Israel's Prime Minister Peres "is doing his best. He has shown understanding and true flexibility. His decision to withdraw from Lebanon is certainly another point in his favor." Speaking of the state of Egyptian-Israeli peace, Meguid said Egypt has recently taken a number of steps to be helpful. "We are in the process of trying to resolve differences. The recent visits of (energy minister Moshe) Shahal and of (prime minister office Director General Avraham) Tamir were successful. Israel's participation in the recent Cairo book fair was a very clear position taken by the government. We also agreed to let tourists land on the Coral Island (south of Eilat), and have agreed to arrangements at the Canada (refugee) Camp across the border at Rafah" (Jerusalem Post, March 5).

March 5. Speaking to the International Press Institute convention in Cairo, Egypt's Prime Minister Ali made no secret of the fact that the Egyptian government maintained regular contacts with the PLO. "We now have daily contacts with the PLO to coordinate policy," he said, pointing out that the PLO office in Cairo had never closed, even after 1977. "Sometimes these contacts were secret, but there has been a senior PLO representative in Cairo all the time. Relations with the PLO have been overt since Arafat's visit to Cairo in 1983. There may be differences of opinion at times, but we have no real difficulties with the PLO." Ali added: "The purpose of Egyptian diplomacy is not merely peace with Israel. We seek ways of contributing to a comprehensive, just, and lasting peace in the region, which must include a just solution to the Palestinian problem". (Jerusalem Post, March 6).

March 6. After a meeting with Jordan's King Hussein in Hurghada, Egypt, Mubarak denied he had even suggested that non-PLO Palestinians be named to a joint Jordanian-Palestinian delegation, stating: "I said, more than once, that the PLO is everywhere in the West Bank, in Gaza" (New York Times, Christian Science Monitor, March 7).

March 9. The Eighteenth International Fair was opened in Cairo by Prime Minister Ali. Thirty nations, including Israel, were taking part in the event. Israel had participated in the fair since 1980 (Jerusalem Post, March 10).

March 11-12. During his official visit to Washington, Mubarak requested $870 million in supplemental aid for fiscal 1985 and nearly $1 billion for 1986, on top of $1.3 billion in military grants and $815 in economic grants already requested by President Reagan, which had constituted an increase of $125 million over fiscal 1985 (Washington Post, March 9 & 13; Christian Science Monitor, March 13).

March 12. In his farewell remarks on the White House lawn, Mubarak said: "I believe that no nation is more qualified than America to support the Palestinian people's right to self-determination." In Mubarak's view this means the PLO and a Palestinian state if they so wish (New York Times, March 13).

March 13. The director of Israel's Foreign Ministry David Kimche met in Geneva with Butros Ghali, Egypt's Minister of State for Foreign Affairs. The two men reportedly spent two hours discussing the possibility of renewing the peace talks (Jerusalem Post, March 14).

March 13. In an emotional speech before the National Press Club in Washington, Mubarak termed Reagan's Middle East policy one of inaction and called it "almost defeatist." He said he was still not ready to send his ambassador to Tel Aviv until Israel submits Taba to international arbitration. Mubarak said he asked Reagan on March 12 to invite a Jordanian-Palestinian delegation to explore the chances for a settlement. Mubarak said PLO leader Yasir Arafat's signature on the February 11 agreement with King Hussein represented his "firm commitment" to resolution 242, saying that "there was no need for a specific mention of a specific document." On Taba, he said further: "Let them send it to arbitration and finish with this stupid problem because it became a national issue" in Egypt. (Washington Post, March 14).

March 18. After a meeting in Amman to discuss the peace process, Hussein and Mubarak went together to Baghdad for talks with Iraqi President Saddam Hussein. This was the first visit to Iraq by an Egyptian leader since before Iraq severed diplomatic ties with Egypt in 1979 after the peace treaty with Israel (New York Times, March 19).

March 18. American Jewish leaders told Mubarak during their meeting last week of their dissatisfaction with Egyptian efforts to block Uruguay's move of embassy from Tel Aviv to Jerusalem, the World Jewish Congress reported. According to a spokesman for the organization, earlier in March the Uruguayan ambassador to Cairo was summoned to the Egyptian foreign ministry where he was warned that the placement by Uruguay of its embassy in Jerusalem would lead to a rupture of relations with Cairo (JTA, March 19).

March 19. Muhammed Dasouki, First Undersecretary of the Egyptian Ministry of Agriculture, told a press conference in Beersheba that "Egypt receives much Israeli know-how within the framework of our joint project for the study of arid zones." Dasouki headed a 12-member delegation of Egyptian scientists on their first official visit to Israel in connection with a joint research project on arid zones. (Jerusalem Post, March 19).

March 21. The Israeli Squash Rackets Association accepted the invitation received this week from its Egyptian counterpart to send a team to the tenth annual World Squash Championship in Cairo in November. This was the Egyptian association's first contact with Israel. (Jerusalem Post, March 22).

March 28. In another apparent sign of improving relations, Egyptian Foreign Minister Esmat Abdel-Meguid met with Likud Knesset member Eliahu Ben-Elissar, Israel's first ambassador to Cairo. Ben-Elissar was in Cairo for celebrations by El Al marking the fifth anniversary of operations in Egypt. He discussed with Meguid bilateral relations and efforts to revive the peace talks (Jerusalem Post, March 29).

April 1. Israel protested vigorously to Egypt against an article that appeared recently in the Cairo weekly Al-Musawwar which compared Israeli Foreign Minister Yitzhak Shamir to Gestapo chief Heinrich Himmler. Assistant director-general of the Israeli foreign ministry Zvi Kedar called in Egyptian Charge d'Affaires Mohammed Bassiouny to voice Israel's revulsion at the article (Jerusalem Post, April 2).

April 16. At a meeting with Mubarak, Israeli Minister-Without-Portfolio, Ezer Weizman reached agreement on the creation of a committee which will prepare a summit meeting between Mubarak and Peres .(Jerusalem Post, April 17).

April 18. Sources in Jerusalem stated that Weizman had obtained concrete undertakings from the Egyptians to facilitate the search off Alexandria for the bodies of sailors lost on the submarine Dakar in 1968, and to try to persuade the Egyptian media to desist from insulting attacks on Israeli leaders. Weizman returned from his controversial visit to Cairo, expressing confidence that he had advanced the prospects of a Mubarak-Peres summit (Jerusalem Post, April 19).

April 29. For the first time, two Egyptian scientists are attending a medical conference in Shoresh, Israel, as part of a research project that is already in its fifth year (New York Times, May 5).

May 2. Anis Mansour's column in Al-Ahram, Egypt's semi-official daily, on Reagan's controversial trip to the German military cemetery in Bitgurg: "... The world, full of political troubles, economic disasters, and religious wars, can no longer bear the sufferings of the Jewish people. Therefore, the renewed crying and howling and imposition of their feelings on the entire world make the world hate them even more and hurt them on every occasion. It is not unlikely that there will be an attempt on President Reagan's life and that the killer will be one of the members of the minorities: Armenian, Turk, or Irishman (sic). But the entity that will cause it and pay for it will be one of the Jewish organizations, and therefore the world will hate them more and more and will get more and more tired of them."

May 2. Mubarak ordered the approval of four out of six requested import licenses for goods from Israel. The requests of the Egyptian importers had been delayed for a long time (Ha'aretz, May 3).

May 6. Unsigned article in the Egyptian establishment newspaper Al-Akhbar, entitled "Zionist Propaganda and the Reagan Visit to Germany:" "The Zionist and Jewish organizations in the United States exploited the visit which President Reagan is about to conduct to the German military cemetery in Bitburg in the best way to substantiate their old propaganda regarding the persecution they had suffered from the Nazis. Despite their many exaggerations even with regard to that persecution, the strange thing is that the Zionist propaganda claims about the burning of Jews by the Nazis have come to be regarded as solid fact, although they have never been scientifically examined. There are exaggerations both with regard to the numbers of these Jews and their burning as described by the Zionist propaganda in order to arouse the guilt complex among the peoples of Europe. This is done while overlooking the fact that the Jews in Germany, during the period of World War II, were a thorn in the side of Germany at a time when it was going through a difficult war."

May 7. Conclusion of Hasan Sabar's article in Al-Akhbar: "Israel's soldiers lost their shame in Lebanon. They were dragged down by their animal-like and bestial behavior. In Lebanon they lost their moral and human standards. How strange that they curse and revile the American president, Ronald Reagan, because he is about to visit the Bitburg cemetary in West Germany, where there are the bones of a few Nazis."

May 8. Taha Abd al-Fatah's article in Al-Akhbar: "... If the ovens where the Jews were burnt by the Nazis still hurt Israel and the Jews every-

where, despite the establishment of the state and despite the reparations and the exploitation of the guilt complex and the revival of the memory so the world will not forget and so the memory does not hide or die (sic) -- what can you say about those who paid for the suffering of the Jews despite being totally innocent? Besides they deny them and they deny their (the Palestinians') rights. There is no lack of Jews who think they are a people above the rules of life, unlike all others. The strange thing is that no experience is repeated exactly in the same form, and no experience of suffering resemble each other as much as did the suffering of the Jews in the first half of the century and the suffering of the Palestinians in the second half."

May 8. Cartoon in Al-Ahram: A smiling Arab says to a bearded Jew, angrily watching Reagan leave the Bitburg cemetery: "Don't be angry; tomorrow he'll visit your grave too."

May 15. Egyptian police arrested nearly 80 of an estimated 300 protesters who burned Israeli flags and chanted anti-Israeli slogans outside the largest synagogue in downtown Cairo. The police used riot sticks and electric prods to break up the demonstration, which was attended mostly by members of Egypt's opposition parties. The protests were the largest since 1982 (New York Times, May 16).

May 17. Egyptian and Israeli negotiators concluded three days of talks in Cairo by agreeing to present to their governments a package of measures designed to improve relations. Israeli and Egyptian officials failed to agree on Taba. The formation of teams to explore improved trade and tourism is to take effect before the Taba issue is resolved.
David Kimche, director-general of Israel's foreign ministry, described the talks as positive: "I think we made progress in the talks themselves. We have decided on a number of subjects already which can be implemented immediately." Egypt had already taken steps to improve relations.
A busload of Egyptian tourists arrived in Tel Aviv this week. And a few weeks ago, Mubarak asked editors of The Egyptian semi-official press to refrain from anti-Semitic attacks (New York Times, May 18).

June 1. Egyptian Oil Minister Abdel-Hani Kandil returned to Cairo last week after a 3-day visit, and before his departure reiterated Egypt's position that the Taba issue must be submitted to arbitration. On the same flight to Cairo were also the directors of Israel's prime minister's office and foreign ministry, who went to the Egyptian capital to continue negotiations on bilateral issues. Israel's Energy Minister said he was confident that at least $70 million worth of new business deals in the energy field will be concluded between Egyptian and Israeli companies (Jerusalem Post International Edition, June 1).

June-. Since June 1985, Egyptian travel companies have been allowed to organize group tours to Israel for the first time since 1979. Senior Egyptian officials explained the decision to ease restriction as an effort to bolster the position of the Israeli prime minister (Newsday, Sept. 18).

August 20. An Israeli diplomat was killed and two embassy employees wounded in a Cairo suburb when three men sprayed their car with submachine fire. A previously unknown group calling itself Egypt's Revolution took responsibility for the murder. Albert Atrakchi, an administrative attache at the embassy, was slain, and his wife Ilana (also an embassy staff member) and Atrakchi's secretary Mazal Menashe were injured. Atrakchi was the first Israeli diplomat killed in Egypt since the establishment of diplomatic relations in 1979. The Egyptian foreign ministry stated: "We very strongly condemn this criminal act. Egyptian authorities will take all legal steps to track down the perpertrators and bring them to trial" (New York Times, August 21).

August 21. According to Yitzhak Bar-Moshe, press attache at the Israeli embassy in Cairo, several suspects had been arrested in connection with Atrakchi's assassination. Bar-Moshe's impression was that the authorities were making an all-out effort to apprehend the attackers. Security at the Israeli embassy was stepped up. Egyptian Minister of Tourism Dr. Wahi Muhammad Shindi passed on a message of condolence from Egyptian foreign minister Esmat Abdel-Meguid and prime minister Kamal Hassan Ali. Bar-Moshe said the embassy was innundated with condolence messages from "officials, journalists, and friends." The Egyptian press provided extensive coverage of the attack. Al-Ahram condemned the murder and any form of terrorism, adding that the killing did not serve any purpose (Jerusalem Post, August 22).

August 21. Shindi announced at a press conference in Jerusalem that Egypt had cancelled all restrictions on Egyptian tourists coming to Israel. The restrictions had been lifted upon the announced withdrawal of Israeli troops from Lebanon, he said, with the aim of equalizing the balance of tourism between the two countries. Peres described the Shindi visit as "an important precedent" and noted there had been some recent progress in the normalization process in both tourism and commerce. Peres also remarked on Egypt's support for Israel during the recent UN conference on women in Nairobi. Shindi discussed with Israeli leaders Egypt's interest in the transfer of property rights at the Dir el-Sultan church in the Old City from the Ethiopian to the Coptic authorities. He indicated that such a transfer could result in a drastic increase in Egyptian tourism to Israel, with hundreds of thousands of Copts making pilgrimage to Jerusalem. The controversy over rights to the church had been on Egypt's agenda since November 1977 (Jerusalem Post, August 22).

August-. During the month of August 1985, President Reagan signed into law the Foreign Aid Authorization Bill, which authorized for Egypt $1.3 billion in military aid grants and $815 in economic aid grants for each of the two fiscal years 1986 and 1987, and a supplemental authorization of $500 million for fiscal 1985 (Mideast Observer, September 1).

September 9. Egyptian charge d'affaires in Tel Aviv Mohamed Bassiouni flew to Cairo for consultation on the Taba issue. Last week, director-general of the Prime Minister's office Avraham Tamir held talks in Cairo with Mubarak and other leaders on that issue. Bassiouni had met with Peres on Taba on September 6 (Jerusalem Post, September 10).

September 11. At a press conference in Jerusalem, spokesmen for an American Jewish Congress twenty-member fact-finding mission said, following meetings with top Egyptian and Jordanian leaders in Cairo and Amman, that those officials strongly urged that the PLO "be put to the test" by the United States on the issue of publicly recognizing Israel's right to exist. According to one of the Jewish leaders, Henry Rosovsky, the officials also "broadly hinted" that they might be prepared to drop the PLO from negotiations if its chairman, Yasir Arafat, refused to make such a declaration after a proposed Jordanian-Palestinian meeting with U.S. Assistant Secretary of State Richard Murphy were held (Washington Post, September 12).

September 11. The leading Egyptian opposition paper Al-Ahali charged that Gabriel R. Warburg, director of the Israel Academic Center in Cairo, was a spy who reported twice a week to the Mossad. Moshe Sasson, Israel's Ambassador, requested that the Egyptian government deny the report. The foreign ministry said it was "sheer nonsense." But a spokesman for the ministry of information said his government did not want to adopt a policy of denying articles in the opposition papers, adding that the press in Egypt was free. Israeli official replied that the explanation was not satisfactory. They pointed to stiff restrictions on the freedom of press under emergency laws on security matters. Recent articles on so-called Israeli spies in Egypt bordered on incitement against Israelis in Cairo and therefore required some kind of response from the government (New York Times, September 15).

September 5. Avraham Tamir returned from Cairo after a 24-hour visit during which he held two lengthy meetings with Mubarak. The Joint Israel-Egypt Military Liaison Committee was told that Egypt is scrupulously observing the demilitarization provisions of the peace treaty. Officers of the Multi-national Observer Force had detected no significant violations. Egypt expressed itself ready to fix a timetable to handle outstanding issues such as the search in Sinai for bodies of IDF soldiers missing since 1973, and the search off-shore for the bodies of the IDF sailors who went down with the submarine Dakar in 1968. An Israeli defense ministry official informed his Egyptian counterpart that Egypt could go ahead with plans to erect two monuments in memory of Egyptian soldiers who fell in battle, to match the two monuments Israel had set up in the Sinai and left there by agreement between the two countries (Jerusalem Post, September 6).

September 25. Israel and Egypt initialed an agreement to further tourist traffic between the two countries. The agreement was initialed by Egyptian tourism minister Shindi after a three-day visit to Israel and Israeli tourism minister Avraham Sharir. Shindi said the visit was fruitful and beneficial to both countries: "We are partners in peace. There is no way back. We can only go forward," he declared (JTA, September 26).

October 1. Within hours after the Israeli air raid on the PLO headquarters in Tunis, the Egyptian government denounced it as a criminal act and announced it had suspended talks with Israel on the issue of Taba (Christian Science Monitor, October 2).

October 2. The Egyptian establishment newspaper Al-Akhbar said in an editorial: The Israeli justification of the "savage, barbarous raid" on Tunis is the same as that of the invasion of Lebanon. There is no difference between Begin, Shamir, and Peres. Israel sought to destroy the Palestinian leadership and the peace efforts. There is a strategic coordination between the activities of the pro-Syrian militias in Tripoli and "the criminal Israeli behavior."

October 4. Al-Akhbar--Abd al-Salam Daud calls on Arafat to kill Israeli civilians on the basis of Reagan's remark that Israel's raid on Tunis was legitimate: "Kill, Arafat, and don't hesitate, just as they wanted to kill you."

October 4. Egypt voted in favor of a Security Council resolution condemning the Israeli raid on the PLO headquarters in Tunis. The United States abstained in the 14-to-0 vote (New York Times, October 5).

October 5. Muhammad al-Hayawan writes in the Egyptian establishment newspaper Al-Gumhuriya that a group of terrorists had established a state and they rule through terror. So why shouldn't the Palestinians become terrorists as long as terrorism maintains a state named Israel?

October 6. An Egyptian policeman in a shooting rampage, killed seven Israeli vacationers at the Sinai beach of Ras Burka. Israeli eyewitnesses charged that Egyptian authorities blocked medical attention to the victims for several hours; Israeli health minister Mordechai Gur charged that at least one victim bled to death while Egyptian police fired at other Israeli tourists who sought to go to his aid. Egypt denied these reports. Mubarak, speaking to reporters in Cairo, described that shooting as a "limited incident that can happen anywhere, carried out by an insane man." He said Egypt remained committed to the peace process. Israeli officials said the Foreign Ministry had asked Egypt why the Israeli casualties were not given first aid sooner, and sought clarification on whether the gunman was a policeman or a soldier. Egypt is forbidden by the 1979 peace treaty to have army troops in that area of Sinai (Washington Post, October 7).

October 7. The Egyptian periodical Mayu published an article by Ibrahim Wardani decrying the failure of the efforts to "improve Israeli conduct." Referring to the raid on the PLO headquarters in Tunis, al-Wardani said that "a new Hitler was born in Israel."

October 13. Peres told the Israeli cabinet that he had received a message from Mubarak promising the facts surrounding the killing of seven Israelis at Ras Burka, stating that Egypt was as concerned about the incident as was Israel. Egypt's charge d'affaires in Israel, Mohammed Bassiouny, had stated on October 11 that the killer was mentally unbalanced, that he had disarmed his fellow officers and then began firing at the vacationers. He said that an Egyptian officer who had tried to reach the man was also killed by him. Bassiouny was summoned to the Israeli foreign ministry after Egypt had failed to respond to an Israeli request for a report on the shooting within 48 hours (New York Times, October 14).

October 18-19. On these two days, the Egyptian daily Al-Gumhuriya printed poems calling for war against Israel. On the 18th a poem declared the need to liberate Jerusalem with blood and fire, and on the 19th the poet wrote that there is not escape from a bloody war after which peace will arrive.

October 22. Israel was disinvited from the 1986 Cairo International Book Fair after the raid on the PLO headquarters in Tunis. An advisor to Mubarak was quoted as saying that the President had told him Egypt would not join Arab-Israeli peace negotiations. Another Egyptian official was quoted as saying: "We feel our role is helping them (other interested Arabs) to accomplish peace. We are not a party to negotiations" (Christian Science Monitor, October 23).

October 23. An editorial in the Egyptian daily Al-Gumhuriya entitled "The Revolution of the Knives and the Continuation of the Palestine Dream" praises the "flame of the Palestinian resistance ... in the occupied land... through stoning and hunting the Israelis with knives or stealing weapons from the Israeli army and using them to kill its soldiers" as proof of the failure of all the plots to eliminate the Palestinian problem.

October 29. Mubarak said to foreign correspondents: "We have signed a peace treaty with Israel and we are committed to all our agreements. We have kept our word. There are ups and down in the relations between our countries, but we shall never reach a point of no understanding." He said however, that "the time now is not quite ripe for such a meeting (with Peres). Prior to a meeting, "Israel has to complete its withdrawal from Lebanon, make certain gestures toward the Palestinian problem and settle the Taba dispute." Mubarak also supported an international peace conference under UN auspices with the participation of the Security Council's permanent members. He also stated that "Mr. Arafat is welcome any time, but not his headquarters" (JTA, quoted in Jewish Week, November 15).

November 5. In an interview with the Washington Post, Mubarak's top political advisor Osama al-Baz stated: The Mubarak-Arafat talks in Cairo were "very fruitful," and there were "no disagreements between them and us." Egyptian officials reiterated their commitment to include the PLO in the same peace process, but Baz was quoted in Al-Gumhuriya as saying that Egypt sought to persuade Arafat to rectify the "ambiguous stand" of the PLO toward the February 11 Arafat-Hussein agreement. Baz added that the PLO should show its interest in a peaceful solution and draw a distinction between military operations inside Israeli-occupied territories and "Palestinian terrorist operations committed abroad." In the same interview, Osama al-Baz said: "There is a plan to keep the PLO away from the settlement effort. All the moves of the United States indicate that it approves the plan of dropping the PLO from any forthcoming settlements. We consider this dangerous and an error because it is impossible to distance the PLO from settlement efforts."
Abdel Halim Badawi, Assistant Foreign Minister, said to the paper: "It is our view that Jordan cannot do without the PLO and the PLO cannot do without Jordan." Baz said Egypt still stood by the Hussein-Arafat agreement (Washington Post, November 6).

November 7. Mubarak stood next to Arafat when he made his "Cairo Declaration" denouncing terrorism outside " occupied territory" (New York Times, November 8).

November 11. Peres sent a message to Mubarak apparently reflecting Israel's belief that Egyptian patronage of the PLO is not the correct way to advance peace. Peres was responding to an oral message from Mubarak which reportedly said that most of Egypt's actions, including the encouragement of the PLO's position on terror outside Israel, are meant to advance the peace talks (Jerusalem Post, November 12).

November 15. Meeting with Israeli reporters in Washington, Israel's defense minister Yitzhak Rabin stressed the importance of strengthening Egyptian-Israeli relations as an essential first step toward broader peace talks. He said Israel's chief foreign-policy priority was to improve relations with Egypt. Such a development, he said, could automatically help advance the broader peace talks with Jordan and the Palestinians (Jerusalem Post, November 17).

November 16-17. An Israeli oil delegation visited Cairo and cabinet minister Ezer Weizman was invited to Cairo for political discussions (Ma'ariv, November 19).

November 22. Mubarak declared he will "not abrogate the Camp David treaty and will not restore relations with the Arab countries if this restoration is conditional on the abrogation of that treaty." In an interview with the Kuwait News Agency, Mubarak said that abrogating the peace treaty with Israel "would mean the declaration of war between Egypt and Israel" and that he was not prepared to do so (Kuwait News Agency, November 22).

November 23. Mubarak said the man accused of killing seven Israelis is being tried. The trial of Suleiman Khater, an Egyptian policeman, began on the 17th in a military court. According to media reports he is charged with murder without premeditation (Associated Press, quoted by Jerusalem Post, November 24).

November 23. The talks over the Taba dispute are scheduled to be resumed in Cairo on December 3. In recent weeks, Cairo has again let it be known it was ready to resume the talks it had suspended in early October (Jerusalem Post, November 24).

November 27. Egyptian Oil Minister Abdel Hani Kandil, on a visit to Israel, delivered a letter to Peres from Mubarak reportedly indicating that Egypt was prepared to make extensive concessions on the issues of normalization of relations between the two countries in return for Israeli agreement to submit the Taba issue to international arbitration. Kandil also met with families of the Ras Burka victims in Jerusalem. Kandil said Mubarak "sent me to convey his personal regret for the tragedy. We appointed a special, urgent count." Knadil said the report would be released once the courts had completed its investigations (Jerusalem Post, November 28, 29).

November 28. In an interview with Jerusalem Post, the Director-General of the Prime Minister's Office Avraham Tamir said: "...It may be argued that as long as there is no broad agreement then there's no achievement. But there is movement in certain areas, like tourism and trade. There is progress elsewhere, too, as in the welcome cessation of hostile propaganda by the Egyptian media under government influence. Of course, that does not apply to the opposition press. There is also progress with regard to Egypt's attitude towards the renewal of relations with Israel by Third World countries. Nor should we forget that Cairo has been urging the Soviet Union to reestablish diplomatic ties with us. And the same goes for Egyptian conduct at the United Nations" (Jerusalem Post, November 29).

December 3-4. After a two-month suspension by Egypt, Egyptian-Israeli negotiations were resumed in Cairo. The Israeli team was headed by Avraham Tamir and David Kimche, while the Egyptian delegation was headed by Assistant Foreign Minister Abdel Halim Baddawy. Reportedly, the talks focused on the Taba issue and on other subjects of bilateral interest such as the Ras Burka incident and the normalization of relations between the two countries. A U.S. observer delegation attended the talks in accordance with the 1979 peace treaty (Jerusalem Post, December 5).

December 5. The Co-Chairman of the American Jewish Congress' Board of Trustees, Howard Squadron, and the Director of the organization's Israeli office, David Clayman, met with Mubarak in Cairo on behalf of the Israeli government. At the meeting Squadron explained the attitude of U.S. Jews toward the progress of the Middle East peace process and expressed appreciation for Mubarak's firm stand against terrorism as reflected in the hijacking of the Egyptian airliner to Malta. "it was a good, interesting, and most fruitful meeting. Mubarak was more flexible than we had expected," Mr. Squadron stated (Al Hamishmar, December 9).

December 8. In an interview with the Washington Post, Mubarak said: "The PLO is the sole representative of the Palestinians, whether we like it or not. Trying to solve the problem and at the same time trying to ignore the PLO--this will never lead to a comprehensive peace." He said that U.S. attempts to water down Palestinian representation on a joint Jordaninan-Palestinian negotiating team had gone too far and wasted more than six months in a crucial period when "time is slipping away." Mubarak praised Peres' "flexibility" on a number of issues and suggested that the only thing now blocking a possible meeting between them is the Taba dispute. Mubarak said that such a meeting could be accompanied by the return to Tel Aviv of the Egyptian ambassador. Mubarak sated: "The withdrawal (from Lebanon) is nearly finished. Peres has shown very good flexibility" attempting to improve the quality of life in the territories. He is doing his best, really. The only thing is Taba." Mubarak suggested that because of the wasted time, rather than going through with the first stage of American-Jordanian-Palestinian negotiations all parties should proceed directly to a Geneva conference, which "will never superimpose anything on the factions" invloved in the peace process (Washington Post, December 9).

December 12. According to an understanding reportedly reached between Egyptian and Israeli negotiators after four days of talks in Herzliya, Israel, a team of three arbitrators (one Israeli, one Egyptian, and one from a mutually-agreed third country) would convene in Geneva. The team would be asked to submit compromise proposals to both parties outside the formal arbitration proceedings, which would begin only if the proposals are not acceptable to both parties. Recent conversations in Cairo suggest that this informal phase was fixed at 30 days, after which formal arbitration must begin. Peres disclosed on December 14 that according to this understanding, the losing party would obtain free access to Taba and would be a full partner in running its economic enterprises (i.e., Hotel Senesta). In case Israel approved these proceedings, Egypt would return its Ambassador to Tel Aviv, a summit meeting between Peres and Mubarak would be held, meetings between the two countries' foreign and defense ministers would be conducted, and frozen agreements on trade, tourism, and cultural exchange would be thawed (Ha'aretz, December 13, 15, 17). On December 10, Israeli officials had said that a breakthrough in the Herzliya talks occurred when Egypt agreed to provide a full report on

the killing of Israeli tourists in Ras Burka. Avraham Tamir said further security arrangements for Israeli tourists in Sinai would be dealt with by the Joint Egyptian-Israeli Commission formed under the 1979 peace treaty. Israel's Ambassador to Cairo Moshe Sasson said Egypt was expected to turn over the report on the Ras Burka incident "as soon as possible" (Washington Post, December 11).

December 16. After initially intending to submit the Israeli-Egyptian Herzliya understanding on Taba to the cabinet's approval on December 18, strong Likud objections prompted Peres to postpone the move until further Egyptian clarifications were obtained (Ha'aretz, December 17).

December 23. In an interview with NBC-TV "Today" program, Mubarak said: "Time is running, and if Arafat doesn't recognize these two (UN) resolutions (242 and 338), he will be the big fat loser. King Hussein will find his way out if Arafat doesn't join him." Asked how long Hussein might wait for Arafat to act, Mubarak answered, "I think maybe one or two months." Mubarak also said he had told Arafat to find a way to accept the two UN resolutions (Washington Post, December 24).

December 25. Officials at the Prime Minister's office described a second message from Mubarak to Peres containing clarifications of Egypt's position on Taba as "positive in nature." They added that Israel expected "further clarifications on a number of points" and said those were on their way. In an earlier message delivered on December 18, Mubarak sent a number of clarifications on the Taba and normalization-of-relations issues following the Herzliya talks. Peres requested additional Egyptian clarifications on December 22 (Jerusalem Post, December 26).

December 28. An Egyptian policeman who murdered seven Israeli tourists in the Sinai resort town of Ras Burka on October 5 was sentenced to life in prison with hard labor by an Egyptian military court in Cairo. Israeli Ambassador Moseh Sasson stated following the announcement of the verdict, "I have full confidence in Egyptian justice." He said Israel had been promised, and expected, the official Egyptian report on the incident now that the trial was complete. For the previous two weeks, opposition newspapers in Cairo were dominated by articles hailing the policeman as the "hero of the Sinai." On December 24, university students in the city of Zagazig clashed with riot police in the fourth straight day of demonstrations protesting the policeman's murder trial. On December 27, students demonstrated at Al-Azhar University in Cairo. Several arrests were reported at both places. On December 26, the semi-official weekly al-Musawwar and the semiofficial daily Al-Akhbar said that the policeman, Suleiman Khatir, should not be regarded a hero and warned opposition parties not to make him a political martyr. Egyptian Interior Minister Ahmad Rushdi called the demonstrations illegal (New York Times, Washington Post, December 27 & 29).

C. Appendix I

FOLLOWING IS THE DECISION OF THE CABINET, OF 13 JANUARY 1986, CONCERNING TABA AND RELATIONS WITH EGYPT.

(1) THE SOLUTION OF THE PROBLEM CONCERNING TABA END OTHER POINTS IN DISPUTE ALONG THE INTERNATIONAL BORDER BETWEEN ISRAEL AND EGYPT SHALL BE ARRIVED AT THROUGH A PROCESS OF ARBITRATION.

(2) IN THE COURSE OF THE INITIAL STAGES OF THE PROCESS, UNDER PARAGRAPH 1 (ABOUT 8 MONTHS), THE ARBITRATORS SHALL ACT, THROUGH CONCILIATION, TO SOLVE THE PROBLEM OF TABA, (A SOLUTION BY OTHER MEANS).

(3) EGYPT SHALL RETURN ITS RESIDENT AMBASSADOR TO ISRAEL.

(4) A TIMETABLE SHALL BE AGREED UPON CONCERNING THE IMPLEMENTATION OF THE ACCORDS SIGNED BY ISRAEL AND EGYPT IN THE FIELDS OF TRADE, TOU
ISM, TRANSPORTATION, CIVIL
AVIATION, CULTURE AND POLITICAL DIALOGUE.

(5) AN ARBITRATION COMPROMIS SHALL BE AGREED UPON THAT WILL ALLOW THE PARTIES TO ADVANCE ALL OF THEIR ARGUMENTS AND TO PRESENT THEIR EVIDENCE ON THE DISPUTED TOPICS AND AUTHORIZE THE ARBIT
ATORS TO DECIDE UPON THEM.

(6) THE FULL AND PRECISE TEXT OF THE ARBITRATION COMPROMIE, INCLUDING THE IDENTITY AND NUMBER OF THE

ARBITRATORS, AND THE ALLOTTED TIME FOR ARBITRATION BETWEEN ISRAEL AND EGYPT SHALL BE DETERMINED.

(7) AGREEHENT SHALL BE REACHED ON THE ARRANGEMENTS TO BE APPLIED IN TABA AFTER THE ARBITRATION HAS BEEN COMPLETED. THESE ARRANGEMENTS SHALL INCLUDE FREE ACCESS, SECURITY ARRANGEMENTS AND ARRANGEMENTS FOR THE CURRENTLY EXISTING FACILITIES.

(8) EGYPT SHALL SUBMIT TO ISRAEL THE REPORT ON THE MURDER AT RAS BURKA, AND THE MATTER OF THE INDEMNITY TO BE MADE TO THE BEREAVED FAMILIES SHALL BE DISCUSSED.

(9) THE RETURN OF THE RESIDENT AMBASSADOR, THE SIGNING OF THE ARBITRATION COMPROMIS AND THE PROCESS OF NORMALIZATION SHALL BEGIN CONCURRENTLY.

(10) THE OBLIGATIONS IN THE ABOVE-MENTIONED AGREEMENTS - THE ''PACKAGE AGREEMENT'' - (IMPROVEMENT OF RELATIONS AND THE ARBITRATION PROCESS) IS A SINGLE UNIT, AND THE IMPLEMENTATION OF EACH PART OF THESE OBLIGATIONS IS TIED TO THE IMPLEMENTATION OF THE PACKAGE AS A WHOLE.

(11) THE PREAMBLE TO THE AGREEMENT SHALL INCLUDE A REFERENCE TO THE DESIRE OF THE PARTIES TO REMAIN FAITHFUL TO THE PEACE TREATY AND THE CAMP DAVID ACCORDS, PERTAINING TO THE TWO COUNTRIES.

(12) THE TWO STATES SHALL FULFILL THE OBLIGATIONS SET OUT IN ARTICLE I I I OF THE PEACE TREATY AND SHALL PREVENT THE PRESENCE AND ACTIVITY OF TERRORISTS FROM ONE COUNTRY DIRECTED AGAINST THE OTHER AND ITS CITIZENS.

(13) THE PARTIES SHALL ACT TO PREVENT HOSTILE PROPAGANDA AGAINST EACH OTHER AND SHALL ALLOW FREE AND EQUAL ACCESS TO THEIR MEDIA.

(14) THE SUBJECTS FROM PARAGRAPH 3 ONWARD, INCLUDING THE TEXT OF THE COMPROMIS, THAT REQUIRE NEGOTIATION WITH EGYPT SHALL BE DISCUSSED AD REFERENDUM. ISRAEL'S AGREEMENT SHALL BE GIVEN AFTER THESE SUBJECTS WILL HAVE BEEN APPROVED BY THE CABINET.

D. Appendix II

November 24th 1985

The President of the Arab Republic
Mr. Hosni Mubarak

Dear Mr. President,

Over a month has passed since the murders at Rass Burka, Sinai, on October 5th 1985, of my son Amir, of my very good friends Judge Haman Shelah, his wife Elana and their daughter, Zlil, of Anita Griffel and the young girls, Ofri Turel and Dina Barry. I therefore appeal to your sense of honour as President of Egypt, and to the honour of the Egyptian people and the Egyptian army, requesting answers to questions which have agitated us since that terrible incident.

On the day following the murders we saw you on television and to the interviewer's query of: "What do you have to say about the Sinai murders?", you answered: "Nothing, nothing at all, a minor incident, one madman shot seven people, it can happen anywhere".

Could this really have happened anywhere?

Could it have happened anywhere in the world between two countries at peace with each other?

Could any of the incidents have happened anywhere in the world to tourists setting out to spending their vacation on the shores of a friendly neighbouring country?

All the queries I wish to raise do not refer to the actual shooting, but to the conduct of the Egyptians after the shooting, when seven human beings lay wounded on the sands of Rass Burka. As we know today from the pathological reports, five of them were only wounded and died much later from loss of blood and not from the "crazy" soldier's firing. Four of them were children.

One of these children was my son Amir, who was wounded in his leg only, and finally died of loss of blood. If not for the chain of events following the shooting, my son Amir would be here with us today, healthy and whole.

The points I raise below are the entire truth, based on facts testified to by the many eyewitnesses who appeared before the Israeli police investigators. The facts were presented to the Egyptian army investigators as well.

Herewith, Mr. President, are questions and issues which warrant your attention:

1. At about 4:20 p.m. after the shooting was over, seven lay wounded on the Sinai sands, most of whom could have been saved with a simple tourniquet. The Egyptian soldiers present withheld even the most minimal aid to the wounded, resulting in their slow and painful death from loss of blood.

2. The Egyptian soldiers, under threat of gunpoint, prevented the Israeli doctors and medical orderlies present from administering medical help. They were expressly told that whoever came near the wounded to try to save them would be shot (though the Israeli doctors had the necessary medical equipment and serum on hand).

3. The Egyptian soldiers did not try to disarm the gunman, although they could have done so easily even with minimum use of force. Furthermore, according to eyewitness reports, they seemed to be collaborating with him.

4. At my husband's attempt to climb the hill, the Egyptian soldiers threatened to kill him. Their shouts alerted the "gunman" to come to the top of the hill. Thus they prevented our attempt to save at least some of the wounded.

5. At 5:40 p.m. of that day, it was already known by Israeli authorities that there were wounded people in Sinai and that the Egyptians were preventing their receiving medical care. However, the Egyptians did not permit Israeli doctors and ambulances to pass at Tabaa.

6. The Egyptians also prevented Americans belonging to the MFO who were present from helping the wounded with an ambulance and helicopters. The Egyptians did not accept the Americans' help either.

7. Four long hours passed after the shooting before the wounded were taken off the hill, but even then the Israelis were not allowed to approach them again, under threats that whoever came closer would be shot.

8. At one stage, an attempt was made to conceal the bodies, under the pretext that the wounded had been sent to Sharm A-Sheik hospital. Were it not for the vigorous intervention of the Americans present, it is quite possible that we would not have received the bodies of our loved ones to this day.

9. My two other sons, Ehud and Moshe, who were also wounded, managed to escape from the hill, bleeding heavily from their wounds. I was prevented by the Egyptians from taking them to the hospital in Eilat. Only after 25 minutes had passed were they allowed through to the "clinic" at Nueba. At Nueba they were given hardly any treatment. In spite of my repeated requests, we were not allowed to leave for Eilat for three more hours.

10. As the Egyptian soldiers did not permit me to take my children to Eilat, one of the Israelis present tried to remove the barricade. In response, the Egyptian soldiers at the barricade (not the "crazy" one) shot in the direction of the vehicle in which I sat with my two wounded sons.

11. We found the bodies of our loved ones lying on the floor in a distant warehouse in Neuba, still dressed in their clothes (proving that no attempt had been made to undress them and tend to their wounds). The bodies were found uncovered, lying on the floor, without even the covering of a sheet or a blanket.

12. After the massacre, two surviving adults, and four surviving children, remained on the beach. One of the adults had just lost his daughter. Our tent camp, as well as the rest of our equipment and our cars remained on the beach. The Egyptians did not permit Israeli representatives to come and evacuate the survivors or their equipment. Only on the following day were the survivors allowed to leave the area, unescorted.

13. No Egyptian representative attended the funerals or visited the families. The first expression of Egyptian condolences reached the families 38 days after the murders. Yet, to this date, the Egyptian people are not aware of the full story, as the Egyptian media did not publish a full and accurate account or an official government expression of sorrow.

    Consequently, distorted versions of the incident, as published by opposition papers in Egypt, are the only information available to your people.

I trust that you, Mr. President, will see to it that: a) all those responsible for these events will be punished with the full force of the law; b) all necessary conclusions will be reached by the relevant Egyptian authorities; c) the Egyptian Government will condemn the behaviour of those responsible, express its sorrow, and apologise to the families of the victims and take full responsibility for the events.

In doing so, you will be strengthening the peace process which is so dear to us, and, we trust, important to you.

Yours sincerely,

Sara Baum

Jerusalem

Enclosed is a photo of my late son, Amir.

1c chrono
1c E
1c Egypt CIA/O
1c Misc - to SA ltr 1/92

AJ Congress

American Jewish Congress
Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
212 879 4500 • Fax 212 249 3672

Office of the Executive Director

December 16, 1991

His Excellency Abdel Raouf El-Reedy
Ambassador of Egypt to the United States
Embassy of the Arab Republic of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20006

Dear Raouf:

As always, I enjoyed the time I spent with you at your residence last week. I am delighted that you are getting back to yourself after the traumatic experiences of this past summer.

I am sorry that we missed each other these last few days. I have been trying to reach you about the following matter: a high-level delegation of AJCongress leaders has been invited to meet with King Fahd and members of his government in Saudi Arabia. We have accepted the invitation, and for the first time, an American Jewish delegation will be visiting Saudi Arabia in mid-January.

I would like our delegation to visit Cairo to meet with President Mubarak and other members of his government, as we have on several previous occasions.

If this is possible, we would plan to fly directly from Riyadh to Cairo either on January 21st or on January 22nd.

I am most anxious to hear from you if you think this is a good idea and if such meetings can indeed be confirmed.

I hope to chat with you by phone on your return from meetings at the State Department.

Sincerely,

Henry

HS:ilb

Henry Siegman

AJ Congress

American Jewish Congress
Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
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Office of the Executive Director

FAX # 212

(Direct to Mr. Siegman's office)

TELECOPY COVER SHEET

TO: Amb. Tahseen Bashir 861-9140

FROM: Irene Badi (Henry Siegman's office)

DATE: 12/16/91

Number of Pages 2, including this cover sheet.

If you have any questions about the materials being telecopied, please get in touch with _____

REMARKS/NOTES:

Amb. Bashir,

Mr. Siegman asked that I fax a copy of the attached letter to you.

Irene B.

AJCongress

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Stephen Wise Congress House
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New York, NY 10028
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Office of the Executive Director

December 16, 1991

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Sincerely,

Henry

HS:ilb

Henry Siegman

EGYPTIAN WINS TOPS U.N. SLOT, RAISING CONCERN AMONG JEWS
By Larry Yudelson

UNITED NATIONS, Nov. 21 (JTA) -- The selection of Boutros Boutros Ghali to be the next U.N. Secretary-General has led to expressions of concern from Jewish officials.

Ghali will be the first Arab to assume the post, if, as expected, his vote of confidence Thursday night in the Security Council is ratified in the General Assembly.

In addition to concern that the Egyptian Deputy Prime Minister for Foreign Affairs may have difficulties playing an impartial role in mediating the Arab-Israeli dispute, the Jewish observers take strong exception to his lead role in opposing repeal of U.N. resolution 3379, equating Zionism with racism.

And the fact that he is a member of Egypt's Christian Coptic sect, and that his wife was born Jewish, has been interpreted by some as giving him even more incentive to demonstrate his committment to the Arab line.

"The test will come in whether he will support the repeal," said Malcolm Hoenlein, executive director of the Conference of Presidents of Major American Jewish Organizations.

"He ought to proclaim, as did Javier Perez de Cuellar, his intent to support the effort to repeal," said Hoenlein.

Perez De Cuellar will conclude his second five-year term as secretary-general Dec. 31, having chosen not to seek reelection.

Ghali was born in 1922 to a family with a strong tradition of government service. He earned a law degree at Cairo University and was a Fulbright fellow at Columbia.

He met his wife Leah Nadlar, the daughter of Romanian Jews, while earning a doctorate in international law in Paris. She later converted to Christianity.

Ghali taught international law at Cairo University for 30 years, heading its political science department when he was tapped by Anwar Sadat to join the Egyptian cabinet in 1977.

Three weeks later, Ghali accompanied Sadat on his flight to Jerusalem.

Before that visit, Ghali did some research on Israeli Foreign Minister Moshe Dayan, with whom he knew he would be spending time. Dayan's interest in archaeology was legend, and Ghali brushed up on the field to make small talk.

As recounted in a recent profile of Ghali in the Israeli daily Yediot Achronot, the Egyptian minister waited for Dayan to start the conversation during the ride from the airport.

Finally, Ghali began. "I understand we have a common interest," he said.

"Yes, I know that hobby very well," replied Dayan. "We both have blonde, Jewish wives."

After the visit, Ghali remained intimately involved in the peace process, through the Camp David talks and the signing of the peace treaty.

And it is Ghali who is credited with coining the phrase "cold peace" to describe Egypt's relations with Israel, which, since the outbreak of the Lebanon war in 1982, never reached the level of full normalization called for at Camp David.

Ghali has kept the Palestinian problem high on his public agenda with the Israelis, leading some in Jerusalem to dub him "the bad man," even as this year he hosted Likud Foreign Minister David Levy and a coterie of junior Likud Knesset members.

But Egypt's fundamentalist, and anti-Israel, opposition press likes him less.

"In the office of the U.N. Secretary-General your loyalties and obligations to your homeland vanish," he assured Yediot. "And on the Israeli issue, it's definitely possible that I can improve the ties between Israel and the U.N. From my position the past 14 years, I recognize well the problem of the Middle East."

Ghali's role at Camp David puts him at odds with past U.N. sentiment; the General Assembly has condemned the Egyptian-Israeli accords.

In remains to be seen how the presence of an Egyptian secretary-general -- together with a Saudi in the more ceremonial role of president of the General Assembly -- will affect the U.N.'s response to the current peace process, in which both countries are playing an active role.

And there will be an awareness that it was Secretary-General Dag Hammarskjold, acting at the request of Egyptian President Gamal Abdel Nasser, who withdrew U.N. observers from the Straits of Tiran in May 1967, creating the atmosphere of hostilities that led to the Six-Day War. As Secretary-General, Ghali would be responsible for U.N. forces in Lebanon and on the Syrian border.

"The election places a great responsibility on Egypt to demonstrate that it will adopt an even-handed policy toward the Mideast," said Harris Schoenberg, director of U.N. affairs for B'nai B'rith International.

Egypt

H.E. Foud Sultan
Minister of Tourism of Egypt

Cordially invites you to share
the culture and splendor of Egypt
at a gala reception
at The Temple of Dendur
in The Sackler Wing

The Metropolitan Museum of Art
Fifth Avenue at 82nd Street
New York City

Wednesday, December 11, 1991
6:00 - 8:00 P.M.

Selections from Aida
will be performed by
internationally acclaimed
opera star Hassan Kamy

The Egyptian Galleries
will be open for viewing

Business Attire
Please present this non-transferable invitation
at the Museum's Main Entrance, Fifth Avenue at 82nd Street

☒ I will ☐ I will not be able
to attend the Egyptian gala reception on December 11th
at the Temple of Dendur, Metropolitan Museum of Art.

11/4/91

Name Mr. and Mrs. Henry Siegman

Affiliation American Jewish Congress

AJ Congress

American Jewish Congress
Stephen Wise Congress House
15 East 84th Street
New York, NY 10028
212 879 4500 • Fax 212 249 3672

Office of the President

Chrono
G
UN
Egypt
1=Rolodex

November 26, 1991

His Excellency Dr. Boutros Boutros Ghali
Deputy Prime Minister and Minister for
Foreign Relations of the
Arab Republic of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20008

Dear Minister Ghali,

It is with great pleasure that we write to express to you warmest congratulations and good wishes on the occasion of the unanimous recommendation by the Security Council that you become the next United Nations Secretary General, succeeding Javier Pérez de Cuéllar.

Having had the advantage of a personal acguaintance and friendship with you over the years, we particularly appreciate the intellectual and moral qualities that you bring to this most important position.

As members of the non-governmental United Nations community, we look forward to working with you supportively in the days ahead. You may be assured of our prayerful good wishes for success as you undertake your new responsibilities.

With warm good wishes,

Sincerely,

Henry Siegman
Executive Director

Robert K. Lifton
Robert K. Lifton
President

1= Foreign Affairs
1= Mideast
1= Egypt
1= Israel
1= Jordan
1= S A

* * *

AJ Congress

* * *

American Jewish Congress
Office of the Washington Representative
2027 Massachusetts Avenue, N.W.
Washington, D.C. 20036
202 332 4001 • Fax 202 387 3434

MEMORANDUM

January 15, 1991 – By Fax
This Page Only/No Cover Sheet

To: Henry Siegman

From: Laura Katz, Assistant to the Washington Representative

Here is the information Barbara Linton requested for you:

EGYPT

His Excellency Robert H. Pelletreau, Jr.
U.S. Ambassador to Egypt
20-2-355-7371

His Excellency El Sayed Abdel Raouf El Reedy
Ambassador of Egypt to the United States
202/232-8721

State Department Desk Officer: 202/647-2363

ISRAEL

His Excellency William C. Harrop
U.S. Ambassador to Israel
972-3-517-4338

His Excellency Zalman Shoval
Ambassador of Israel to the United States
202/364-5588

Her Excellency Molly Williamson
Consulate General/ Consulate General's Office, Jerusalem
972-2-253-228

State Department Desk Officer: 202/647-3672

JORDAN

His Excellency Roger G. Harrison
U.S. Ambassador to Jordan
962-6-660-4171

His Excellency Hussein A. Hammami
Ambassador of Jordan to the United States
202/966-2664

State Department Desk Officer: 202/647-1022

SAUDI ARABIA

His Excellency Charles W. Freeman
U.S. Ambassador to Saudi Arabia
966-1-488-3800

His Excellency Prince Bandar Ibn Sultan
Ambassador of Saudi Arabia to the U.S.
202/342-3800

State Department Desk Officer: 202/647-7550

attendant violence, within and around the ex-member state, has been patent in recent years and months. Second, most of the economic work associated with the Economic Division of the ComSec and of CFTC may be seen also to relate to state and nation building. A lot of constructive advice and help, and some boobs, have been forthcoming since 1965. Third, with over half its members mini-states, each with populations of fewer than one million (many with much less than this figure), assisting the security and viability of these, its many international minnow-members, understandably has been accorded high priority. These mini-states are endowed with the formal status and insignia of sovereignty but lack the substance to give effect to their international personality unless they receive a lot of help. For most of them, survival is more fundamental even than nation-state building. Even the rare rich ones, such as Brunei, will have watched Kuwait's absorption with deep concern and foreboding.

Atavar or activator?

Viewed *sub specie aeternatatis*, there was a time when humanity was not seen as apportioned into nation-states. They may yet be in the future a post-nationalist age when nations are widely regarded as no more than anachronisms. This new age of enlightenment, if such it will be, has not yet arrived. If it has, try convincing the Kurds and Kashmiris, the Palestinians or the Poles, the Sindhis or the Serbs. Can it genuinely become true that even the most barbarian nations are drawn into civilization? In the contemporary world, where communist-party monopolies are being dismantled in so many places and newly pluralistic polities emerging, where dirigistic economic systems are giving way to market-oriented economies, it would be a naive mistake to believe that all this dramatic change will be universally beneficial and peaceful or that there is a worldwide yearning to emulate the ways of Washington or of Whitehall and Westminster: the universal interaction of nations, now much more evident than was actually true in 1848, does not fully and unequivocally prescribe the universal *interdependence* of all nations; some are sustained, others inhibited and denied by circumstances and the compulsions of the present.

In some respects, then, the nation-state today seems anachronistic, a dying atavar, in others it displays rejuvenation and re-energizing. In many of its contemporary manifestations it seems incapable of adequately performing some of its traditional functions—defence, trade and investment, for instance—yet, recurrently, it seems to appeal to and provide primordial loyalty for peoples who will not willingly accept the superordinate authority of any other grouping or instrumentality. In some respects it is an atavar, in others a potent activator.

1 November 1990

EGYPT UNDER MUBARAK

THE QUEST FOR STABILITY AT HOME AND NORMALIZATION ABROAD

A. K. BANERJI

BY VIRTUE OF ITS STRATEGIC LOCATION, size, historical tradition and leadership qualities, Egypt—officially known as the Arab Republic of Egypt—has been a major actor in regional politics since the foundation of the Republic in 1952.

In the years following the signing of the Camp David Accords (1978) and, particularly, the Egyptian–Israeli Peace Treaty (1979) its regional role was temporarily eclipsed, as most of the Arab states (and the PLO) had broken off diplomatic relations with Cairo. By the end of the 1980s, however, there had been a significant realignment of forces in West Asia that favoured the re-emergence of Egypt as a major actor in Arab politics. Nothing illustrates this better than the developments in Egypt's foreign policy and relations in the first quarter of 1989. In March of that year, Israel returned the last piece of territory it held—Taba—bringing to an end the process of normalization of Egyptian–Israeli relations set in motion by the peace treaty signed a decade earlier. During the same month, Egypt played host to King Fahd of Saudi Arabia—the first visit by a Saudi monarch to Egypt in 30 years—and also hosted a summit meeting between King Hussein of Jordan, the PLO Chairman Yasser Arafat and President Mubarak. The latter two developments signalled the resumption of Egypt's role as a major actor in regional politics.

A number of changes in the operational environment—domestic as well as regional—during the decade after the signing of the peace treaty with Israel contributed to Egypt's re-emergence as a major regional actor. An attempt will be made here to analyse the nature and significance of these changes for Egypt with particular, though not exclusive, reference to the Mubarak presidency.

The Mubarak presidency: gaining legitimacy through democratization

When Mubarak assumed office, he was heir to a mixed legacy: Sadat's 'liberalism', Nasser's Arab 'socialism' and Islamic fundamentalism. In domestic politics, Sadat initiated a policy of economic liberalism and limited political pluralism; his foreign policy was based on the twin premises of close

Dr Arun Kumar Banerji is Professor of International Relations, Jadavpur University, Calcutta, India.

The Round Table
January 1991

cooperation with the USA and peace with Israel. In Nasser's Egypt there had been total domination of the economy by the state and the Nasserists were opposed to Sadat's economic liberalism. In foreign policy, they accused him of betraying the Palestinian cause, and condemned him for breaking with the Arabs by aligning with the USA. The Islamic fundamentalists, for their part, wanted a reorientation of economic, political and social policies for establishing an Islamic polity in Egypt.

Malcolm Kerr, speculating about the nature of Egyptian polity, not long after the Camp David Accords were signed, thought that one of these three legacies—Sadatism, the Nasserist legacy and Islamic fundamentalism—would become the dominant force in Egyptian society and polity in the 1980s. In reality, however, all these legacies have survived in Mubarak's Egypt, which has made Egyptian political developments much more complex than was visualized by Kerr.[1] It is to the president's credit that he has managed to maintain the regime's stability by a careful balancing of forces, and by following a policy of accommodation and reconciliation.

One of the most significant developments in Egypt during the 1980s has been the pluralization and democratization of the political system. The process was begun by Sadat, with the introduction of a controlled multi-party system in 1977 (partly because of his desire to project the image of a stable, 'democratic' Egypt in the West); but it suffered a setback during the last few years of his presidency. Mubarak tried to revive the process of democratization and expand its base. By 1988, for example, there were as many as six political parties in Egypt in addition to the Muslim Brotherhood, which enjoys a semi-legal status.[2] Both the elections, held in 1984 and 1987, have been reasonably fair and free, despite allegations of corruption—a fact that has added to the president's stature and given legitimacy to his regime. The president's own party—the National Democratic Party (NDP)—has, no doubt, been the dominant party, but its dominance has waned over the years. The opposition's share of the elected seats in the People's Assembly increased from 8.6 per cent in 1979 to 15 per cent in the 1984 elections, and to 22.3 per cent in the 1987 election, the largest in Egyptian history, while the ruling party's share declined from 88.7 per cent in 1977 to 77.8 per cent in 1987.[3] In 1987 opposition parties captured 95 out of the 448 seats in the parliament.[4]

Parliamentary opposition in Egypt represents diverse ideological and political traditions. At one end of the political spectrum lies the fundamentalist Muslim Brotherhood, which in alliance with the Socialist Labour Party (SLP) and the Liberal Party captured 17 per cent of the votes in 1987.[5] Although the SLP leader, Ibrahim Shukari, is the official leader of the alliance, it is the Muslim Brotherhood which constitutes the dominant faction (controlling 38 seats out of the alliance's total of 60). The reconstituted Wafd Party which holds 35 seats—the second largest opposition bloc in parliament—has emerged during the 1980s as the 'centrist' opposition party. Traditionally secular and nationalist in outlook, its foreign and economic policies do not differ greatly from those of the ruling NDP. At the opposite end of the spectrum is the National Progressive Union Party (NPUP), a coalition of Marxists, Nasserists and Social Democrats. The NPUP, though small in number remains a vocal opponent of the government.

The numerical strength of the opposition parties in parliament is not a correct indicator of its influence in moulding public opinion. Unlike President Nasser (and, to some extent, Sadat), President Mubarak has allowed a lively opposition press to emerge. Opposition parties use this freedom to criticize the government for its failures; as in India, the state-run media has lost much of its credibility and ordinary people, irrespective of political affiliation, turn to the opposition press for news about political unrest, financial scandals and the government's failure to check the rise in prices.[6]

Democratization and political pluralism have also led to the re-emergence of a civil society. If the dominance of the state over society—characterized by centralization and authoritarianism—has been an Egyptian tradition, certainly the trend has been reversed during the 1980s. In Nasser's Egypt the state controlled the trade unions, business organizations and professional bodies; there was an imbalance between politics and administration, and suppression of political dissent. Under Mubarak the 'intermediate' institutions have been allowed to reassert their role. Membership of these bodies has increased; a larger proportion of younger people have joined these associations. The increase in membership has also led to growing assertiveness and a desire to influence the policy-making process. The Egyptian Businessman's Association, representing the steadily growing private sector, has sought to influence the government's economic policies by establishing institutional links with the government, just as the medical profession's syndicate and the labour unions have sought to influence the government's policy on higher education.[7]

One of the consequences of the loosening of government control over the institutions of civil society has been the growth of the private sector—a development whose origin can be traced to the policy of *infitah* initiated by Sadat. Accurate information about the state of the Egyptian economy is difficult to obtain. Nevertheless, since 1978 the private sector has grown both in size and in level of economic activity. From 1974 to 1986 the share of the private sector in Egypt's industrial output increased from 23 per cent to 33 per cent.[8] Alongside of this the private sector has expanded its role in banking. Private Egyptian banks and Islamic investment companies are now competing with joint venture banks and government banks.[9] Although the concept of economic planning has been revived, in the shape of five-year plans, the government does not visualize the state-run public sector becoming the focal point for Egypt's economic development. In fact the percentage of GDP investment in the public sector declined from 77 per cent during the 1982–87 five year plan, to 50 per cent in the 1987–92 plan, with corresponding increases from 23 per cent to 50 per cent for the private sector during the same period.[10]

Threats to stability: economic constraints and extremist politics

In domestic politics Mubarak has basically pursued the same policies—economic and political—initiated by Sadat. Political democratization has, to some extent, ensured the stability of the regime; but there are also ominous portents that may disrupt the fragile stability in future. Some problems faced by the regime, eg economic constraints, are common to most developing countries, while others have their roots in Egypt's history and political tradition.

With a high birth rate (population increased by 12 million between 1976 and 1986) Egypt is a state poor in natural resources. Because most of the Egyptian territory is desert, nearly 96 per cent of the population live on less than 4 per cent of the total area of the state,[11] and the increase in population has led to a decline in the per capita cropped area and augmented urban migration with all its concomitant problems of housing and sanitation. This, of course, is a common problem for most developing states. The population explosion has led to a reduction in the per capita domestic production of food, making Egypt dependent on food imports.

During the 1980s the growth rate of the Egyptian economy declined. According to the *World Development Report 1989*, the country's GDP grew by 6.3 per cent during the 1980–87 period, compared to the growth rate of 6.8 per cent during the 1965–80 period.[12] Average annual growth of private consumption was five per cent from 1980 to 1987 compared to 5.5 per cent during the previous 15 years. The average annual growth of Gross Domestic Investment was 2.7 per cent during the 1980–87 period, while it grew by 11.3 per cent from 1965 to 1980. The import of food (cereals) increased from 3 877 000 metric tonnes in 1974 to 9 326 000 metric tonnes in 1987, thus increasing the pressure on the balance of payments.

Egypt, like India, has had a chronic balance of payments problem. During 1948–58 it was able to pay for the deficits from its own reserves. In subsequent years it had to depend on foreign aid to cope with the problem. First, it was aid from the USSR (1965–71) and then it was Arab money (1971–77) that helped Egypt pay for its imports. Since 1978, the year of Camp David Accords, the USA has been the principal supplier of aid. In 1981 Egypt received $2.2 billion in economic aid from the West, of which half came from the USA.[13]

Dependence on foreign aid also makes the Egyptian economy and foreign policy vulnerable to foreign pressures. When President Sadat inaugurated the open door economic policy (ODEP), *infitah*, the main justification was securing foreign investment—Arab capital from oil-exporting countries and western investment and technology. It is now well-known that for the next two years (1974–76), international financial institutions and Arab and Western creditors put pressure on the Egyptian government to make its economy more accessible to the world capitalist market, by reducing the huge subsidies on food and other consumer articles, and devaluing the Egyptian currency.[14] At first the government resisted, fearing the domestic consequences, but ultimately it relented. In January 1977 when the government announced price increases for a number of basic commodities of daily consumption, violent demonstrations broke out in major cities leaving 70 people dead and several injured. The government was compelled to suspend economic decisions and the army had to be called in to maintain law and order.

During the closing years of the 1980s, the debate over economic policy was revived by the tug-of-war between Egypt and the IMF over how far and how fast to reform the economy, burdened with a $43 billion debt (in 1988–89). For years the IMF, strongly supported by the USA had urged the Egyptian government to reduce its budget deficit. The USA, the IMF and many other western agencies advocated a *laissez faire* economic policy, which would lead to a reduction in government control over the economy, particularly a reduction in subsidies, and

the fixing of prices according to market forces. The government is, no doubt, anxious to reform the economy; but it is also aware of the social and political consequences of hasty steps. After years of tortuous negotiations Egypt concluded a standby agreement with the IMF in 1987 for a gradual but more significant reduction in subsidies and a limited float of the Egyptian pound.[15] But the debate over ODEP continued, as the government came under increasing pressure from the donor countries and the IMF to 'liberalize' its economy. Early in 1989 Egypt's relations with the USA were strained when the Bush Administration decided to withhold a $230 million cash grant while demanding that Cairo carry out significant reforms which would enable the IMF to reschedule part of the $43 billion foreign debt. Egyptians resented such pressures. In an article in the *Middle East Times*, Raid Khouri, a Beirut-based consultant, warned the government of the dangers of following the prescriptions of the USA and the IMF. For, he wrote, the USA 'does not care much about Egyptian economic conditions, and the bureaucrats and Professors who formulate the concepts and theories which Americans apply to the Third World are often dangerously ignorant'.[16] The ODEP has generated an ideological polarization in Egypt, with the supporters of this policy coming overwhelmingly from the upper strata of society—wealthy Egyptians who have returned from the oil-exporting Arab countries with substantial savings. The critics of this policy, on the other hand, are generally from the less well-to-do sections of society: the public sector workers, the lower middle classes, the Nasserists and Leftists, who blame the government for exposing the state's economy to foreign pressures.

The rise of extremist politics: Nasserist radicalism and Islamic fundamentalism

The Mubarak government views with concern the recent proliferation of militant dissent throughout Egypt. Interior Minister Zaki Badr told the People's Assembly during a heated session in February 1989, that a huge battle was raging between the security forces and 'the groups of extremists and terrorists'.[17]

Despite people's disenchantment with Nasser's policies by the time of his death, and Anwar Sadat's conscious efforts to undo many of them, the Nasserist ideology remains a potent force in Egypt. Many of the institutional legacies he bequeathed—the wide ranging constitutional powers of the presidency, the dominant position of the public sector in the economy and, above all, the role of the army as the final arbiter in Egyptian politics—still remain. During the last decade there has also been a revival of Nasser's reputation as the hero of the July revolution, and in private conversations many thoughtful Egyptians bemoan the loss of the predominant position Egypt once enjoyed in the Arab world under his leadership. Even the NDP found it prudent to show its allegiance to Nasser and his policies as an election strategy.[18]

It is against this background that one has to see the emergence of an incipient neo-Nasserist militant group—the Nasserist Revolution—that counts among its leaders Khalid Abdel Nasser, the eldest son of the late president. Little is known about the activities of this group except that it is opposed to the dominant US presence in Egypt, and rejects the government's policy of normalization of

relations with Israel. While professing loyalty to President Mubarak, the group has committed acts of violence embarrassing to the government. Between 1984 and 1987, it killed two Israeli officials and wounded three US diplomats. Khalid was allegedly involved in the Maadi shoot-out (May 1987), in which three US diplomats were injured. While the government sought to interpret this as a criminal act, the involvement of the late president's progeny lent it political colour, further compounding the dilemmas of the regime as the opposition press and the defence attorney were quick to invoke the Nasserist legacy. Under intense Israeli and US pressure, the government proceeded to act in a half-hearted manner.[19]

The neo-Nasserist radicals are not the only threat to the regime's stability: Islamic fundamentalists pose another. Islamic fundamentalism is not a new phenomenon in Egypt; nor should it be viewed entirely in the context of the emergence of religious fundamentalism throughout the Muslim world in the wake of the Iranian revolution led by the late Ayatollah Khomeini. The Islamic fundamentalists want to reform politics and society in Egypt by a return to the *Sharia*. The Muslim Brotherhood, the oldest of the fundamentalist groups, has been in the forefront of the movement for political reform. Whereas the attitude of President Sadat towards the Muslim Brotherhood was ambivalent, the present regime has been more accommodating. A major reason for the government's conciliatory attitude to its religious opponents, according to Bianchi, is the realization that what the Egyptians commonly describe as the 'Islamic awakening' is not an alien and subversive force. Rather, it is 'the continuation of longterm movements for religious reform that are thoroughly Egyptian and contain many elements compatible with the development of capitalism and democracy'.[20] Furthermore, both the regime and the liberal Muslim intellectuals characterize Egypt's current Islamic movement as a continuation of the *Salafiya* movement, ie basically reformist, and not fundamentalist. As a result organized Muslim groups, particularly the Muslim Brotherhood and the Islamic Associations, have been quite willing to repudiate the notion of Egypt as an infidel society ruled by an 'apostate regime', to be overthrown by violent means.

Alongside these establishment-orientated groups have emerged more radical groups that reject the path of reform through peaceful means. Umar Abd Rahman, the Imam of a mosque in Fayum, and the leader of the *Jihad*, is possibly the most vocal of the radical leaders who ridicule the establishment-orientated parties, particularly the Muslim Brotherhood, and accuse them of abandoning the cause of the poor. The populist ideas of the extremist groups have a wide appeal, especially among younger people. The mosque is slowly emerging as one of the primary centres of militant dissent in Egypt, along with some of the universities.[21] The government has responded by following a policy of counter-terrorism, and the interior minister has proclaimed his willingness to repay violence in kind.[22] But this policy has been counter-productive. By provoking the government to overreact, the militants—both the Nasserists and the Islamic fundamentalists—have succeeded in enlisting the support of others. In the process the role of the parliamentary parties is being marginalized, as the government often accuses the opposition of abetting violence by raising questions of civil liberties and challenging emergency decrees. This remains one of the most potent threats to Egypt's nascent democracy.

Foreign policy: reassessment of policy towards Israel and the Arab states

At the time of his death, the centrepiece of Sadat's foreign policy were the Camp David Accords (and the Egyptian–Israeli Peace Treaty) that symbolized on the one hand a policy of Peace with Israel, and on the other, close cooperation with the USA. Sadat's policy of reconciliation with Israel was preceded by an intense media campaign that emphasized the sacrifices Egyptians had made—compared to the Syrians and Palestinians—in the fight against Israel. The futility of this policy of continued armed struggle against Israel, and of Egypt's advocacy of pan-Arabism, was highlighted in the officially controlled media, resulting in an erosion of public support for the PLO and its strategy of confrontation. Support for Sadat's policy of reconciliation with Israel increased. By 1978 only 18 per cent of Egyptians supported the PLO strategy, compared to 55 per cent in 1974, while 77 per cent were supportive of the Sadat initiative.[23] By 1979, with the increasing isolation of Egypt in the Arab world, patriotism was being actively encouraged by the official policy of 'Egypt first'. Support for Sadat's policy started waning within a couple of years of the signing of the peace treaty for a host of reasons. First, the autonomy talks foundered—as most Egyptians saw it—on Israeli intransigence and the USA's unwillingness to put pressure on Israel. Perhaps Egyptians overestimated the USA's influence on Israel. The deadlock on the autonomy negotiations, Israel's unilateral annexation of Jerusalem, its resettlement policy and, finally, the bombing of the Iraqi nuclear reactor in 1981—only two days after the meeting between Begin and Sadat—all contributed to the process of disenchantment with Sadat's policy. These were further heightened by the fact that the promise of economic prosperity (with increased US aid) did not materialize.

But it was the Israeli invasion of Lebanon in June 1982 (with US collusion, if not active encouragement) and the massacre of Palestinians in the Sabra and Shatilla refugee camps by Christian Phalangists, aided and abetted by Israeli soldiers, which turned the tide of public opinion strongly against Israel. Even the avowed supporters of Sadat's policy of peace with Israel changed their minds. Anis Mansour, the noted Egyptian journalist, a close confidant of the late President Sadat and one of the most vocal supporters of the Camp David Accords, wrote three weeks after the Israeli invasion:

> There is not a single voice in Egypt that has not disavowed its previous faith in the possibility of total peace with Israel . . . We had reconciled with Israel, looking forward to a comprehensive peace . . . It turned out to be a mistake . . . The most optimistic among us knows that it will take another 34 years to correct that mistake.[24]

Such soul-searching was not confined to Anis Mansour but affected other supporters of the Egyptian–Israeli peace process, including Twafik al-Hakim, one of the best known literary figures in Egypt. Popular reaction ranged from outright denunciation of the government's policy towards Israel, coupled with the demand for the abrogation of the peace treaty and active Egyptian support for the besieged Palestinians in Beirut, to a call for a serious rethink of Egypt's policy of normalizing relations with Israel, recalling the Egyptian ambassador from Tel Aviv and sending the Israeli ambassador back.

Mubarak's response was cautious. Unlike Sadat, he had never publicly applauded the Camp David Accords; nor did he denounce them. He considered the Accords 'a legal obligation to be observed and respected'.[25] Responding to the public outcry against Israel, his government publicly condemned the Israeli invasion and allowed Egyptian medical and relief supplies—though not volunteers—to go to Beirut. The government also expressed serious misgivings about US policy. By the middle of July 1983 President Mubarak was calling for an Arab summit to deal with the crisis and expressing his willingness to visit any Arab capital for such a meeting. After the Sabra and Shatilla massacres, the Egyptian ambassador to Israel was recalled and a year later, in 1984, Mubarak received Arafat in Cairo, a symbolic gesture that paved the way for Egypt's later rehabilitation in the Arab world.

The Israeli invasion of Lebanon became a watershed in the process of Egyptian re-identification with the Arabs. The massacre of the Palestinians in Lebanon produced a sense of guilt among many Egyptians who came to realize that permanent peace with Israel would not be possible without a settlement of the Palestinian issue. The anti-Arab and anti-Palestinian demonstrations seen in Egypt in the late 1970s, were replaced by anti-Israeli and anti-US demonstrations in which fundamentalist Muslims, especially the Muslim Brotherhood, took the lead. Relations with Israel were strained further after the Israeli bombing of the PLO headquarters in Tunis in 1985, and the *Achille Lauro* incident. Another festering sore was created by the continuing Israeli–Egyptian differences over the method of settling the dispute over Taba.[26] The two sides reached an agreement to settle it through international arbitration in 1986. The signing of this agreement was followed by the resumption of diplomatic ties at ambassadorial level. The Taba agreement was followed by a meeting between Prime Minister Peres and President Mubarak in Cairo. The communiqué issued at the end of the meeting referred to the commitment of both sides to a just and comprehensive peace in West Asia that would also involve the resolution of the Palestinian problem, although the two sides had differences about the method of securing such a just and comprehensive peace. Whereas Egypt was in favour of convening an international conference that would include the five permanent members of the UN Security Council—an idea that had the support of other Arab states as well as of the European Community—Israel dithered. Egypt and Israel also differed on the role to be played by the PLO in the peace process. Egypt supported the Palestinian demand for self-determination, and accepted the role of the PLO as the principal Palestinian interlocutor (either participating directly in the negotiations, or choosing the Palestinians who would negotiate on its behalf). The Israelis, particularly the Likud bloc in the Labour–Likud coalition, had different views. The Peres– Mubarak communiqué did not, therefore, materially alter the 'cold peace' that prevailed in Egyptian–Israeli relations that took a turn for the worse after the outbreak of the Palestinian *intifada* in the occupied territories in 1987.

The deterioration in Egyptian–Israeli relations, and Egyptians' disenchantment with the Camp David peace process—though few wished to revert to the pre-1978 situation—have been paralleled by significant improvements in Egypt's position in the Arab world. Relations with the PLO improved after the Israeli invasion of Lebanon and the subsequent exit of Arafat and his supporters

from Beirut. Full diplomatic relations were restored between Amman and Cairo in 1984, and after the Arab League summit of 1987, held in Amman, most of the Arab states—except Algeria, Libya and Syria—re-established diplomatic relations with Egypt. The principal reason for the Arab states' move for reconciliation was the Gulf war and the realization that Egypt could play an important role in mobilizing diplomatic and military support for Iraq—a move that was initiated by Jordan and the PLO, with the support of Saudi Arabia.[27] Another compelling reason was the popular uprising in the West Bank and Gaza. The embattled Palestinian leader, Yasser Arafat, needed Egypt's diplomatic support to reactivate the peace process. Unlike Sadat, Mubarak had been advocating direct talks between the USA and the PLO (which ultimately began in 1988) and some form of PLO participation in the autonomy negotiations. In November 1988 Egypt recognized the state declared by the Palestinians, defying pressures from the USA and Israel. President Mubarak continued to press for a reopening of the autonomy talks and in July 1989 presented a 10-point plan for holding elections in the occupied territories which, in a sense, was complementary to Secretary of State James Baker's speech to the annual Washington Policy Conference of the American–Israeli Public Affairs Committee (delivered on 22 May 1989), calling upon Israel and its neighbours to begin a political dialogue.[28] Egypt had taken the lead in setting up the Arab Cooperation Council (ACC) in February 1989, comprising Egypt, Jordan, Iraq and the People's Democratic Republic of Yemen (PDRY), ostensibly for promotion of economic cooperation among the member states. Initially this created some misgivings among the Saudi leaders who saw the formation of this new regional grouping as a bid to challenge Saudi influence in Arab politics, although this was denied by the Saudi King during his visit to Egypt.[29]

By allowing individual member states to restore diplomatic ties with Cairo, the 1987 Amman Summit of the Arab League paved the way for the normalization of Egypt's relations with the Arab states, although its formal re-entry to the League was only endorsed by the summit held two years later, at Casablanca. A pointer to Egypt's new role in Arab politics was the increase in the frequency of 'summit' meetings between President Mubarak and other Arab leaders during 1988–89, and the warm tributes paid to the president for his efforts in the promotion of a durable peace in West Asia.[30]

Thus within a decade after the signing of the peace treaty with Israel, Egypt succeeded in ending its diplomatic isolation in the Arab world, and resumed its role as a major actor in Arab politics. This also facilitated the revival of Egypt's role among the Islamic stgates—with Cairo hosting the Islamic Conference in 1987—and in the Non-Aligned Movement (NAM). President Mubarak also sought to establish closer working relationships with other leaders of the NAM,[31] in sharp contrast to the policies of Anwar Sadat, who had concentrated on the improvement of Egypt's ties with the USA, to the virtual neglect of relations with other non-aligned states.

Relations with the superpowers: restoring the balance

If one of the aims of Mubarak's policy was the revival of Egypt's leadership role in Arab politics, his other aim was to restore a balance in Egypt's relations with

the superpowers. At the time of Sadat's death in 1981, a virtual *de facto* alliance had developed between Egypt and the USA. The signing of the Camp David Accords and the Egyptian–Israeli Peace Treaty opened the way for close economic and military relations between Egypt and the USA, envisaged by President Sadat when he turned to the USA after the Yom Kippur war in 1973. Military cooperation between the two states included arms supply, transfer of military technology, coproduction of arms, joint military exercises and even provision for military facilities. Egypt offered the USA 'temporary limited access' to airfields near Cairo,[32] and from 1980 the US Rapid Deployment Force (RDF) conducted regular exercises in Egyptian territory that gave it the opportunity to gain experience about operations in the Middle Eastern deserts. In April 1988 the defence ministers of the two states signed a memorandum of understanding (MOU) that established the principle of cooperation and raised the level of military–strategic relations.

Egypt receives the largest amount of US economic and military aid after Israel. By 1989 annual US aid to Egypt amounted to $2.3 billion. Since the mid-1980s, most of the economic aid has been in the form of grants.[33] A substantial part of US economic aid has been in the form of cash grants to help Egypt's balance of payments. US economic assistance to Egypt has been substantial and covers a wide range of activities—setting up of a power generating capacity equal to that of the High Dam complex, cement plants, granaries, sewage plants in Cairo and Alexandria, agricultural improvement programmes and food aid, etc. Nevertheless, US–Egyptian economic relations have been far from cordial. Egyptians have often complained of the inadequacy of US aid. President Sadat urged an American-organized 'Marshall Plan' for the economic development of Egypt; but the USA declined. Egyptians have also been critical of the procedures for aid authorization, which often resulted in delays. The US government, for its part, has been dismayed by the lack of popular appreciation of the value of US assistance. Relations between the two governments have also been soured by US attempts to 'persuade' Mubarak to undertake needed reform of the Egyptian economy to remove its structural deficiencies.

The most significant cause of dissension in US–Egyptian relations has been the US attitude towards Israel. When President Sadat decided to re-establish bilateral relationships with the USA in February 1974, one of his aims was to neutralize Israeli influence on US policy towards the Arab–Israeli conflict. After the signing of the peace treaty with Israel in March 1979, the late president repeatedly contended that the USA was committed to grant Egypt parity with Israel in the provision of economic and military aid. Sadat wanted the USA to be a full partner in the Egyptian–Israeli negotiations for the implementation of the Camp David Accords. But the Egyptians were disappointed; US presidential activity in the Egyptian–Israeli negotiations declined after the signing of the peace treaty for a number of reasons.[34] Bilateral American–Egyptian relations were enmeshed in an 'asymmetrical trilateral relationship' involving Cairo, Washington and Jerusalem, and relations between the former two were reflexively strained whenever Egyptian–Israeli relations deteriorated. As Hermann Eilts later wrote, Egyptian leaders found to their dismay that while Israel could influence US policy towards Egypt, 'Cairo lacked any comparable

capability. Israel had powerful public and Congressional constituencies in the United States; Egypt had no such assets, simply a certain amount of goodwill as long as it adhered to the peace treaty'.[35]

It was this sense of frustration in dealing with the USA that led President Mubarak to repair the damage done to Soviet–Egyptian relations during the previous regime. Sadat's anti-communism and hostility to the USSR was replaced by a more pragmatic approach. An improvement in US–Soviet relations also facilitated the rapprochement in Soviet–Egyptian relations. Sadat had expelled his Soviet military advisors in 1972; and although there was some improvement in Soviet–Egyptian relations during the Arab–Israeli conflict of 1973, they suffered setbacks in the following years because of the deliberate policy of the US and Egyptian governments to keep the USSR out of the negotiations initiated by Kissinger's shuttle diplomacy. The Soviet–Egyptian friendship treaty was cancelled by Sadat in 1976, and five years later, in 1981, he expelled the Soviet ambassador to Cairo. However, it was the Israeli invasion of Lebanon that led to the reversal of the process of deterioration. Trade, cultural and technical relations were resumed in 1983; in the following year the two states restored their diplomatic relations to ambassadorial level. In March 1987 the USSR agreed to reschedule Egyptian debts estimated at $3 billion, with a 25-year repayment schedule that included a 10-year grace period.[36] The timing of this agreement was important, as it virtually coincided with the strains in Egypt's relations with the IMF (and the USA) over the question of reform of the Egyptian economy. 1987 became a watershed in the revival of Soviet–Egyptian relations. In April of that year, the USSR agreed to resume supplying spare parts to Egypt for Soviet-made weapons; and in 1988 the two sides agreed on a six-year grace period for the repayment of military debts to the USSR, estimated at $1.5 billion.[37] There were also dramatic improvements in their bilateral trade, with Egypt emerging, by 1986, as the USSR's largest trading partner in the Arab world. Improvements in Soviet–Egyptian relations benefited the USSR as well, as it improved the prospects of Soviet re-entry to the Arab–Israeli peace process, for which Cairo had been campaigning.

Problems and prospects

Mubarak's Egypt entered the 1990s with verve. The president, who had assumed office in the midst of a crisis, has succeeded in ensuring a measure of political stability by a careful balancing of political forces. In foreign affairs the regime has considerable achievements to its credit. The peace with Israel has been preserved, despite provocations, and relations with the USSR have been improved, without damaging US–Egyptian ties. Above all, Egypt's diplomatic isolation in the Arab world has ended. These are substantial gains. However, there are certain unresolved problems, rooted in Egypt's economy and polity which may threaten the regime's stability. Similarly, realignment of forces in West Asia, resulting from the Iraqi invasion of Kuwait in August 1990 have introduced uncertainties about Egypt's future role in regional politics.

The democratization of Egyptian polity has brought new problems in its wake by raising popular expectations. The masses are now demanding a larger share of the limited national wealth. The Egyptian economy, constrained by

structural deficiencies, has been kept afloat by a massive inflow of foreign funds—American as well as Arab. Whether this will continue in future, and on what terms, remain open questions. Towards the end of the 1980s Egypt's economic problems were further compounded by the decline in remittances from Egyptian workers employed in the oil-rich Arab states, as well as a decline in Egypt's earnings from the limited export of its oil, resulting from the slump in oil prices. (The recent spurt in oil prices may, therefore, boost earnings from oil exports, although its impact on the Egyptian economy is likely to be marginal.) Two decades of OEDP has not succeeded in reducing economic inequalities; nor has it brought about any dramatic increase in the rate of economic growth. If the economy continues to decline, it will increase the hardship of the people, particularly the salaried middle class, as the government will find it difficult to maintain its extensive welfare programmes. The intensification of internal hardship may foment unrest that does not necessarily seek expression through constitutional means. Furthermore, this could goad the young into more extremist politics: in the long run this may pose the most serious threat to Egypt's political stability.

In foreign affairs, relations with Israel remain cold, though diplomatically correct. Although few Egyptians would like to scrap the peace treaty, attitudes towards Israel remain ambivalent, if not hostile, especially since the suppression of the popular uprising in the occupied territories. Relations with the USA are not free from tensions either. Egyptian leaders recognize the need for maintaining cooperative relationship with the USA for political, economic and strategic regions; but economic dependence also hurts national pride.

Mubarak's most significant achievement in foreign affairs has been the normalization of relations with most of the Arab states. But his carefully-crafted policy for reconciliation may be in jeopardy as a result of the Gulf crisis. When the crisis broke out, Mubarak called for an emergency summit of the Arab League that was held in Cairo. The Egyptian president announced on 8 August 1990 that Egypt would be willing to participate in a joint Arab force that would provide Iraq with an 'Arab umbrella' for withdrawing from Kuwait without further foreign intervention.[38] However, that move was rejected by Iraq. On 10 August and in a landmark decision supported by 12 members, the Arab League voted to send troops to Saudi Arabia and other Persian Gulf states to protect them from Iraqi invasion.[39] President Mubarak took the lead in orchestrating Arab opposition to Iraq and the first Egyptian (and Moroccan) troops began landing in Saudi Arabia on 11 August. Egypt was reportedly preparing to send two divisions numbering 30 000 troops.

Mubarak's move was supported in his own country, as many Egyptians disliked Saddam Hussein's efforts to make Baghdad—rather than Cairo—the political and cultural centre of the Arab world. Opposition to Saddam Hussein was also supported by many of the millions of Egyptians who had worked in Iraq during the Iran–Iraq war and returned with bitter memories of physical and financial maltreatment by Iraqi authorities.

The Iraqi invasion of Kuwait has set in motion a series of moves that are likely to bring about a realignment of forces in the Arab world. One of the first casualties of the Iraqi move was the estrangement in the PLO's relations with Egypt and Saudi Arabia, while it brought Egypt and Syria closer in their

opposition to Saddam Hussein. While the overwhelming majority of Arab governments condemned the Iraqi invasion, they are aware of the dangers of being too closely identified with US policy. The Arab League decision to send troops to Saudi Arabia, though of momentous significance in modern Arab history, was not unanimous, and was overshadowed by a wave of anti-Americanism in many of the Arab States. By deciding to join the USA and Saudi Arabia in opposing Iraq—Egypt's erstwhile partner in the ACC—Mubarak has taken a calculated risk. If the Iraqi dictator is deposed, or is persuaded to withdraw from Kuwait (as a result of the show of force), Egypt's position in the Arab world will improve. It also stands to gain financially as Saudi Arabia has already earmarked at least $800 million as economic aid to Egypt, and the USA may write off its $7 billion military debt.[40] But militant Arabs—particularly the Palestinians living in Jordan and the occupied Arab territories—may take a dim view of Egypt's pro-American stand. As a senior Jordanian official told a *Newsweek* correspondent: 'Nobody can govern under an American umbrella in the Arab world'.[41] He may well be right, if Saddam Hussein survives.

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Notes and references

1 The point has been developed in Abdel Monem Said Aly, 'Egypt: a decade after Camp David', in W. B. Quandt (ed), *The Middle East: Ten Years After Camp David*, The Brookings Institution, Washington, DC, 1988, pp 63–64.
2 Though the Muslim Brotherhood is not formally recognized as a political party, its members may be elected to the People's Assembly by using the symbol of other recognized parties.
3 Abdel Monem Said Aly, *op cit*, p 7.
4 Joel Gordon, 'Political opposition in Egypt', *Current History*, Vol 90, No 2, February 1990, p 66.
5 *Ibid*.
6 *Ibid*. Also personal interviews in Cairo conducted in March 1989.
7 For further details see Abdel Monem Said Aly, *op cit*, pp 79–80.
8 *Ibid*, p 78.
9 Islamic investment companies were organized in Egypt in the mid-1970s to handle remittances from Egyptians working abroad. They were not required to conform to banking regulations and paid high returns to depositors. Some of them faced financial difficulties during the mid-1980s and in 1988 a law regulating investment funds was passed.
10 Abdel Monem Said Aly, *op cit*, p 79.
11 Ali E. Hillal Dessouki, 'The foreign policy of Egypt', in B. Korany and Ali E. Hilal Dessouki (eds), *The Foreign Policies of Arab States*, Westview Press, Boulder, CO, 1984, p 122.
12 Unless otherwise mentioned, the data in this paragraph are from the *World Development Report 1989*, Oxford University Press, New York, 1989.

13 Ali E. Hillal Dessouki, *op cit*, footnote 11, 1.
14 *Ibid*, p 128.
15 John Kifner, 'Egypt wins pact on debt payment', *The New York Times*, 24 May 1987.
16 *The Middle East Times*, 28 January–3 February 1989.
17 Cited in Joel Gordon, *op cit*, p 65. Following the assassination of the speaker of the Egyptian Parliament, the Interior Minister warned of similar terrorist attacks as reprisals for Egypt's stand against Iraq in the Gulf Crisis. *The Statesman*, Calcutta, 13 October 1990.
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20 Robert Bianchi, 'Islam and democracy in Egypt', *Current History*, Vol 89, No 544, February 1989, p 94.
21 *Ibid*. For a more pessimistic view of the fundamentalist upsurge in Egypt see E. Sivan, 'The Islamic Republic of Egypt', *Orbis*, Vol 31, No 1, Spring 1987.
22 Joel Gordon, *op cit*, p 65.
23 Saad Eddin Ibrahim, 'Domestic developments in Egypt', in W. B. Quandt (ed), *op cit*, p 27.
24 Cited in Saad Eddin Ibrahim, *op cit*, p 19.
25 Cited in Saad Eddin Ibrahim, *op cit*, p 31.
26 For details see Ali E. Hillal Dessouki, 'Egyptian foreign policy since Camp David', in W. B. Quandt (ed), *op cit*, pp 100–102.
27 See the editorial, 'Key to peace', *The Egyptian Gazette*, 9 March 1989.
28 For further discussion see Robert E. Hunter, 'The United States' role in the Middle East', *Current History*, Vol 90, No 2, February 1990, p 52.
29 See the editorial, 'Worthiness of solidarity', in *The Egyptian Gazette*, 29 March 1989. Egypt withdrew from the ACC after the Iraqi invasion of Kuwait.
30 At the end of the Ismaili 'Summit' of the leaders of Jordan, Egypt and the PLO, Ahmed Abdel Rahman, the official spokesmen of the PLO, paid rich tribute to Mubarak for his commitment to the Palestinian cause and the positive impact his efforts had made on European leaders. See *The Egyptian Gazette*, 27 March 1989.
31 This is particularly true of the revival of Indo–Egyptian relations. President Mubarak attended the NAM summit in New Delhi in 1983 and established a personal rapport with Mrs Gandhi, and later, with the then Prime Minister Rajiv Gandhi. Earlier there had been abortive moves at Havana in 1979 to expel Egypt from the NAM.
32 Such exercises were held in 1980, 1982, 1983, 1984 and 1986, though not in 1985, as a result of strained US–Egyptian relations over the *Achille Lauro* affair.
33 Hermann F. Eilts, 'The United States and Egypt', in W. B. Quendt (ed), *op cit*, p 138.
34 The reasons for the decline in presidential activity have been discussed in Arun Kumar Banerji, 'The US and West Asia: the peace process since Camp David', *The Round Table*, No 297, p 62.
35 *Op cit*, p 127.
36 Abdel Monem Said Aly, *op cit*, p 91.
37 *Ibid*.
38 *Facts on File*, 17 August 1990.
39 *Ibid*, p 598.
40 See *Newsweek*, 17 September 1990, p 20.
41 *Ibid*. See also footnote 17.

THE STATE–MARKET DILEMMA, CIVIL SOCIETY, AND STRUCTURAL ADJUSTMENT

ANY CROSS-COMMONWEALTH LESSONS?

MICHAEL LIPTON

I

SURPRISINGLY, THE TYPICAL INHABITANT of less developed countries (LDCs) enjoyed substantially faster growth of real income in the 16 years following the first oil shock, 1973–89, than in the previous 16 years, 1955–72. Moreover, only in the second period did the poorer countries grow faster than the middle-income LDCs. Within countries also the impact of growth in reducing poverty improved.[1]

These global facts, however, mask an increasing divergence. The big, poor Asian countries did considerably better after 1973, as regards both poverty reduction and growth. Most Latin American countries, after improving in the 1970s in their success at converting growth into the reduction of poverty, were so squeezed by debt burdens in the 1980s that real incomes fell. Most of Africa, already poor and stagnating before 1972, experienced subsequent falls in income per person and in agricultural output.[2] Attempts to remedy this in the 1980s through market-oriented economic reforms—just like attempts in the 1960s to attain African development through central direction—fell foul of political and social obstacles.

This article argues that African experiences, in particular, testify to a 'State–market dilemma' in early economic development: both State and market must increase in power, yet as each does so it tends to weaken or subvert the other. In most cases, only institutions of public overview, some self-seeking and others not, able to interact freely through 'civil society', can inhibit such weakening and subversion, soften the State–market dilemma, and permit sustained economic development.

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"The Madrid peace conference testified to the strength of Egyptian diplomacy and its sense of direction, and the Gulf crisis demonstrated the stabilizing role Egypt now plays in the Middle East. Cairo has become the focus of postwar diplomacy in the region."

Egypt's Response to the Persian Gulf Crisis

BY ALI E. HILLAL DESSOUKI

Iraq's invasion of Kuwait on August 2, 1990, put Egypt in a quandary. During the 1980–1988 Iran-Iraq war, Egypt had developed closer relations with Iraq. It allied itself with the Iraqis, and the more than 1 million Egyptian expatriate workers in Iraq had allowed the Iraqi government to devote the country's manpower to the war effort. The war catalyzed Iraqi-Egyptian cooperation on weapons programs; the most notable was the Condor 2 project, which was undertaken along with Argentina in the hope of developing a long-range ballistic missile.* Relations grew even closer in February 1989, when Egypt and Iraq joined with Jordan and Yemen to form the Arab Cooperation Council (ACC), an organization designed to relax trade barriers among its four members.

But the warmer relationship between Egypt and Iraq was not without problems. At the ACC summit meeting in Amman, Jordan, in February 1990 and the Baghdad summit meeting in May of that year, Egyptian President Hosni Mubarak and Iraqi President Saddam Hussein took different positions on several issues, including Mubarak's plan to make the Middle East a nuclear-free zone. Saddam's militant anti–United States rhetoric and his concerted effort to bring the Palestine Liberation Organization (PLO) under his influence also caused disagreement. The growing number of Egyptian corpses shipped back from Iraq was another contentious issue. The Egyptian opposition newspaper *Al-Wafd* claimed in 1989 and 1990 that demobilized Iraqi soldiers were killing Egyptians. The newspaper criticized Mubarak's government for turning a blind eye to the killings in the interest of maintaining good relations with Iraq.

When Hussein initiated the Persian Gulf crisis in July 1990 with his charges that Kuwait and the United Arab Emirates (UAE) were responsible for depressed world oil prices, Mubarak acted swiftly to try to defuse the situation. On July 19 his administration asked all parties to restrain themselves for the sake of Arab solidarity. The next day Mubarak met with Iraq's vice president, Ezza Ibrahim, and the minister of foreign affairs, Tariq Aziz. On July 24 he traveled to Baghdad, Kuwait City, and Riyadh in an attempt to arrange a meeting between Iraq, Kuwait, and the UAE.

As soon as Mubarak left Baghdad, however, Aziz said that the meeting had dealt only with Iraqi-Egyptian relations. Still, on July 26 Mubarak's chief political adviser, Osama al-Baz, went to Baghdad and arranged a meeting between Iraq and Kuwait that was held on July 31 in Jiddah, Saudi Arabia. At the meeting Iraq again said the dispute it had with Kuwait was a bilateral concern; observers from Egypt and Saudi Arabia, which had helped arrange the meeting, were not allowed to attend. The next day Iraq invaded Kuwait.

POST-INVASION MANEUVERS

Egyptian leaders were shocked by the invasion. It seemed incredible that one Arab state had attacked another. Moreover, the invasion posed a potential threat to Egypt's economic and political interests in the Gulf. And it could not have come at a worse time for Egypt. Ten years of quiet diplomacy to reaffirm Arab solidarity were about to bear fruit. When Iraqi troops marched into Kuwait, the Egyptian government was hosting a meeting of the foreign ministers of the Organization of the Islamic Conference. Preparations were under way to return the Arab League's headquarters to Cairo, and an Arab summit meeting was planned for November.

It was obvious that Egypt could not accept the consequences of the invasion. On August 3 the Ministry of Foreign Affairs issued a carefully worded statement calling for the immediate withdrawal of Iraqi troops from

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**Editor's note*: Egypt withdrew from the program after the invasion, and Argentina formally announced the program's end in April 1990.

Kuwait. Mubarak held meetings with the leaders of Jordan, Yemen, and the PLO; he also met with Kuwait's crown prince, Sheik Saad al-Abdullah al-Sabah, and United States Secretary of Defense Dick Cheney. On August 6 he received a senior Iraqi delegation led by Vice President Ibrahim. Egyptian officials told the Iraqis that the Western powers, led by the United States, would not tolerate the occupation of Kuwait and that if Iraq did not withdraw war was inevitable—a war that would be disastrous for Iraq.

On August 8 Mubarak held his first post-invasion news conference. His remarks showed that he had reevaluated the Iraqi-Egyptian relationship and had concluded that Iraq's willingness to pursue closer relations had been designed to limit Egypt's ability to act. This was especially evident from Iraq's actions in the ACC. Mubarak recalled that Iraq had proposed that member states of the organization more closely coordinate their security policies, a proposal Egypt had resisted. Recognizing the seriousness of the situation, he called for an emergency Arab summit meeting on August 10 in Cairo to find an Arab solution to the crisis; "otherwise," he noted, "a solution will be imposed on us from the outside."

In his opening speech at the summit meeting, Mubarak demanded that Arab leaders choose between "an effective Arab action" that would maintain Arab control of the crisis and "foreign intervention. . .over which we could exercise no control." The conference's inability to unanimously condemn the aggression and demand Iraq's withdrawal left Mubarak disillusioned.

The Arab states' indecision at the summit led Egypt to three conclusions. First, Arab leaders could not reach a consensus on how to deal with Iraq because some were intimidated by Iraq's propaganda and military power, others had colluded and possibly conspired with Saddam against Kuwait, and the rest wanted to wait to side with the winning team. Second, peaceful resolution to the crisis required Iraq's clear commitment to withdraw from Kuwait and restore its government. Third, the crisis had already become internationalized, and the lack of Arab consensus made outside intervention more likely. Thus Egypt decided to support the international effort to remove Iraq from Kuwait.

Egypt was an important member of the United States–led coalition that was formed to evict the Iraqis from Kuwait. It provided approximately 35,000 troops to the coalition, the third-largest contingent after the American and British deployments. As part of the coalition effort, Egypt committed its troops to the defense of both Saudi Arabia and the UAE. Mubarak's decision to deploy troops to Saudi Arabia was a major change in policy. During his 10 years in office he had repeatedly assured the Egyptian people that the military would not take part in conflicts outside the country. With Iraq's invasion of Kuwait, however, he believed that Egypt's vital interests were at stake.

Regional Implications of the War

On March 6, 1991, less than a week after the war ended, Egypt, Syria, and the members of the Gulf Cooperation Council signed the Damascus declaration, in which they agreed to "work toward giving a new spirit to joint Arab action." Almost immediately there were problems in complying with the declaration. In May Mubarak ordered the withdrawal of Egyptian coalition forces from Kuwait, a move that indicated he had different views from the rest of the declaration's signers on future security arrangements for Kuwait and the Gulf states. Egyptian newspapers began to criticize harshly the Kuwaiti government's policies, and said that Kuwait had not shown gratitude to Egypt for its actions during the Gulf crisis. By June relations between the two countries were on a more even keel, and high-level consultations resumed. In October, Egyptian Prime Minister Atif Sidqi visited Kuwait and concluded several cooperation agreements.

Disagreements persist concerning the substance of the Damascus declaration. The Gulf states have various views on how to maintain regional security. The declaration has now been reworded; the signatories agree that individual Gulf states can call on Egypt and Syria for military assistance.

Mubarak's flurry of diplomatic activity did not end with the Damascus declaration. Egypt was instrumental in convening the Middle East peace conference, the first phase of which was held in Madrid from October 30 to November 1 under joint United States–Soviet sponsorship. Cairo was the site for many of the meetings that preceded the Madrid conference, including one between United States Secretary of State James Baker 3d and Soviet Foreign Minister Boris Pankin. Along with Saudi Arabia, Egypt also helped keep Syria involved in discussions on holding the conference and participating in it.

At the conference, Egypt's foreign minister, Amir Moussa, emphasized his country's commitment to peace. He said that Egypt would use its working relations with all parties, including Israel, to help bring about a resolution to the conflict in the region.

Domestic Politics: Still Not Much of a Contest

The government's pro-Kuwait position enjoyed across-the-board support from the Egyptian people. Public condemnation of the invasion was nearly unanimous, although most people did not feel much sympathy for "little Kuwait." A few dissenting voices were heard, most notably from the Socialist Labor party—an Islamic party—and some leftists, who believed that an American military presence in the Gulf was more "disastrous" than Iraq's invasion of Kuwait. However, there were no major demonstrations against the government's policy.

Political life in Egypt remains characterized by the dominance of the ruling National Democratic party (NDP), which has been unable to make itself into a

credible political force, and the eight opposition parties. All of Egypt's political parties suffer from lack of organization and a coherent ideology. The opposition parties have been unwilling to compromise and have shown little talent for coalition politics. Ideological cleavages, historical legacies, and leadership rivalries have kept them from working together to challenge the NDP.

The judiciary, an independent and respected institution, has become the referee on many issues, including the establishment of new political parties. Applications for new parties are considered by a committee whose decisions are subject to judicial review. Since its establishment in 1977, the committee has not approved any new parties. It has only been through court verdicts overturning the committee's rejections that new parties have been formed. In 1991 the Supreme Constitutional Court approved three parties: the Young Egypt party, the Egyptian Green party, and the Unionist Democratic party. The court, however, confirmed the committee's decision not to allow the formation of a Nasserite party, saying the platform of the party contained authoritarian principles that were unconstitutional.

Integrating Islamist groups into the political process remains a problem. Between 1987 and 1990, the Muslim Brotherhood, which wants the country to adopt Islamic law, had approximately 50 members in parliament. Their boycott of the 1990 parliamentary elections and their opposition to the government during the Gulf war have now marginalized the Muslim Brotherhood, yet it remains the most influential of the Islamist groups.

Small militant Islamist groups, such as Jihad, have resorted to violence and have received the most media attention. In 1990 as many as 51 violent confrontations took place between militant Islamist groups and police. Last year militants clashed with police several times. The violence remains limited and under government control, but Mubarak must work to involve the Islamist groups in the political process.

What is the balance sheet for the democratization process in Egypt? On the positive side, there is a liberal tradition, a strong sense of national identity, and a complex civil society. Another positive is a middle class that has been the primary source of Egypt's political elite since 1952. This middle class has increasingly organized itself into a large network of business associations, trade unions, and professional syndicates that have contributed to consensus-building outside the political process.

But several problems confront the advancement of democracy in Egypt. Along with its liberal tradition, Egypt has a tradition of authoritarianism. The ruling elite has grown up with and worked inside a single-party system. Most parties, including those in the opposition, are not internally democratic. And many parties have exhibited the disturbing trend of adopting ideologies that are incompatible with democracy.

Rejoining the Arab Community

Egypt emerges from the Gulf war with little damage. Economically, the war's impact was mixed. Official estimates place Egypt's war-related economic losses at $9 billion, including lost hard-currency revenues from overseas remittances, Suez Canal tolls, and tourism. The figure also includes funds the government will have to spend to create jobs for the 600,000 Egyptians who have returned from Iraq, Kuwait, and Jordan. Another $10 billion in cash and bank deposits held by Egyptians in Iraq and Kuwait was lost.

Since the war Egypt has received large infusions of economic aid, but the most important assistance has been the reduction in foreign debt, which at the end of the war stood at $25 billion. In recognition of Egypt's role in the coalition, United States President George Bush asked the United States Congress in September 1990 to forgive Egypt's $6.5-billion debt for military equipment bought from the United States; that debt alone had cost the Egyptian government $700 million in interest annually. The Gulf states also forgave Egypt's debts, and other creditor nations followed suit last May when they reduced Egypt's $20.2-billion government-to-government debt by half.

After the war ended, the government felt politically secure and self-confident. It had allied itself with the winning side and had proved its worth in the process. The Arab League returned, as scheduled, to Cairo, and an Egyptian, Esmat Abdul Meguid, was elected its secretary general.

It is amazing that Egypt has been accepted back into the Arab community such a short time after being shunned for signing a peace treaty with Israel in 1979. The Madrid peace conference testified to the strength of Egyptian diplomacy and its sense of direction, and the Gulf crisis demonstrated the stabilizing role Egypt now plays in the Middle East. Cairo has become the focus of postwar diplomacy in the region. ■

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April 1, 1991

His Excellency Abdel Raouf El-Reedy
Ambassador of Egypt to the United States
Embassy of the Arab Republic of Egypt
2310 Decatur Place, N.W.
Washington, D.C. 20006

Dear Raouf:

Enclosed is a copy of my Occasional Letter #22. This letter is read by over 2,500 influentials in the American Jewish community and outside, as well as in the Congress, Senate and Administration.

This particular letter may be of interest to you because it incorporates some of the thinking from our meeting with Osama in the context of my view of the developing picture in the Middle East.

I hope you will make a copy available to Osama as well as others in the Egyptian hierarchy who may be interested in it.

I look forward to seeing you again in the near future.

Sincerely,

Robert K. Lifton

RKL:ilb
Enclosure

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